

City of Winters
Comprehensive Annual
Financial Report
for the Year Ended
June 30, 2013

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City Manager
John W. Donlevy, Jr.

Director of
Financial Management
Shelly Gunby

WINTERS
california
Est. 1875

**CITY OF WINTERS
CALIFORNIA**

COMPREHENSIVE ANNUAL FINANCIAL REPORT

**For the Fiscal Year Ended
June 30, 2013**

**CITY OF WINTERS
Finance Department**

Shelly Gunby
Director of Financial Management

CITY OF WINTERS
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 Fiscal Year Ended June 30, 2013

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INTRODUCTORY SECTION



December 13, 2013

To the Honorable Mayor, Members of the
City Council and the Citizens of the City of Winters:

The comprehensive annual financial report of the City of Winters for the year ended June 30, 2013 is hereby submitted as mandated by State statutes. These statutes require that all general-purpose governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants.

This report consists of management’s representations concerning the finances of the City of Winters. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the City of Winters has established a comprehensive internal control framework that is designed to both protect the government’s assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Winters financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City of Winters comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City of Winters financial statements have been audited by Moss, Levy & Hartzhiem, a firm of licensed certified public accountants. The goal of the audit was to provide reasonable assurance that the financial statements of the City of Winters for the fiscal year ended June 30, 2013 are free of material misstatement. The independent audit involved examining on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City of Winters financial statements for the fiscal year ended June 30, 2013 are fairly presented in conformity with GAAP. The independent auditor’s report is presented as the first component of the financial section of this report.

GAAP requires that the management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Winters MD&A can be found immediately following the report of the independent auditors.

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**COUNCIL
MEMBERS**

Bruce Guelden
Harold Anderson
Wade Cowan

MAYOR

Cecilia Aquiar-Curry

MAYOR PRO TEM

Cecilia Aquiar-Curry

CITY CLERK

Nanci Mills

TREASURER

Michael Sebastian

CITY MANAGER

John W. Donlevy, Jr.

Governmental Profile

The City of Winters, incorporated in 1898, is located in the southwestern corner of Yolo County, immediately north of the Solano County line and just east of the Vaca Mountain Range. The City of Winters is bordered to the east by I-505. Interstate 80, which lies just 11 miles south, provides easy access to the major metropolitan areas of Sacramento and the Bay Area. State Highway 128 passes directly through the City of Winters and is a major access route to the Napa Valley and recreational opportunities at Lake Berryessa.

The City of Winters is a general law city and employs the Council/Manager form of government. The City Council acts as the legislative and policy making body for the City. The City Council consists of 5 members. The City Council appoints the Mayor after each Council election. The Council appoints the City Manager, City Attorney, and all members of the various boards and commissions, which serve in an advisory capacity to the City Council. The Council sets policy on all public matters relating to the City of Winters, and adopts an annual budget in which the years approved programs, projects and services are financed. The City Council periodically establishes citywide goals and updates the General Plan and Zoning Ordinances as needed. The City Manager is the chief administrator and is responsible for implementing the policies and priorities of the City Council. The City Clerk and Treasurer are elected for four-year terms.

The City of Winters provides a full range of services, including police and fire protection; the construction and maintenance of streets and other infrastructure; water and sewer services; recreational activities and cultural events. The City of Winters was also responsible for the legally separate Winters Community Development Agency which was dissolved by the State of California on January 31, 2012. The Community Development Agency non-housing assets, liabilities and operations were assumed by the City of Winters as Successor Agency to the Dissolved Winters Community Development Agency and are included as a Private -Purpose Trust Fund in this report. The Housing assets and operations were assumed by the City of Winters and are included as a Special Revenue Fund in this report.

The annual budget serves as the foundation for the City of Winters financial planning and control. All agencies of the City of Winters are required to submit requests for appropriation to the Director of Financial Management each year. The Director of Financial Management uses these requests as the starting point for developing a proposed budget. The Director of Financial Management and the City Manager present this proposed budget to the City Council for review in May and is required to be legally adopted by June 30, the close of the City of Winters fiscal year. The appropriated budget is adopted at the fund and departmental level. The City Manager is authorized to make transfers between account codes and departments within each fund, except contingencies. City Council approval is required for transfers between funds, except for those inter-fund transfers approved in the budget. Budget to actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the General Fund, the comparison is presented as part of the basic financial statements for the governmental funds. For governmental funds other than the general fund with appropriated annual budgets this comparison is presented in the governmental fund subsection of this report.

Management Approach

Over the past five (5) years, the primary focus of our management of the City has been fiscal and service sustainability. Simply put, we have worked to identify both needed and desired service levels and the associated costs and determined strategies for maintaining the quality of our municipal operations.

The approach has included a collaboration of all departments, the City Council and the community at large to begin a process of strategic planning for the long-term service, facility, park and open space, and capital equipment needs for the City. A significant amount of time has been spent on research and workshops to begin defining both current and long-term needs.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific economy that affects the City of Winters.

With the passage of Proposition 1A, the City has reduced its vulnerability to state raids of city funding sources, but has not eliminated it completely. State legislation has often been directed at local governments to re-direct city revenues to cover the State's fiscal mismanagement. Potential take-away's have presented a real threat to the City's fiscal situation in the past and the Redevelopment Agency was dissolved as of January 31, 2012 based on the Supreme Court's decision on the December 28, 2011.

Economically, Winters, while residing in Yolo County is primarily impacted and influenced by the economies of Solano County and the East San Francisco Bay Area.

- Housing prices have leveled off over this last year and are expected to somewhat start a slow recovery in the coming years.
- Residential construction has come to a stand still in the last fiscal year, and new construction is not expected to occur until 2013-2014 at the earliest.
- The City's Sales Tax has seen a rebound from \$267,204 in 2009-2010 to \$408,845 in the current fiscal year.
- Freeway serving businesses have begun to develop along the Grant Avenue corridor, with the opening of the AM/PM Burger King at the entrance to the City in September 2012, and the construction of a Taco Bell adjacent to the Burger, slated to open in December 2013.
- Winters proximity to the I-80/I-505 corridor has made the location a logical next step in industrial development. The expansion of Solano County industry has driven developers to the Winters area in search of affordable land. The area in and around Vacaville and I-505 has caused many to look towards Winters as a potential area of industrial expansion.

A key focus of the City Council and Staff has been capital projects to repair infrastructure and modernize facilities. Our vision is toward the future and a strong capital base.

Due to the collapse of the real estate market and the reduction in residential construction, the City has re-negotiated most of the previously adopted development agreements for the approved subdivisions. Many of these changes have centered on easing the initial financial demands on developers and the overall reduction of fees.

A key hurdle for development in the Winters industrial area is flood control. Much of the City's northern area is a part of a FEMA Flood Area and is in need of mitigation. The City has developed a Flood Master Plan for this section of the City, which projects the need for almost \$20 million in improvements to mitigate the effects of flooding.

In order to facilitate this growth and maintain a quality community, Staff has initiated a number of internal programs to assure effective review of projects and implementation of the City's economic

development strategies. Economic expansion will invariably lead to higher revenues, and higher costs, to the City; therefore, balancing these revenues and costs is a key issue.

Long-Range Financial Planning

The city has developed a long-range financial plan. The goals of developing this long-range plan include the following:

1. Understanding of all the revenue sources used to implement projects and services throughout the community and the impacts to the growth rate of the services.
2. Identifying recurring vs. nonrecurring revenues.
3. Reviewing all services provided by the City and the corresponding costs of those services.
4. Provide service levels consistent with the General Plan.
5. Establish a Service reserve fund from nonrecurring (one-time) revenues.
6. Establish a long term financial strategy and plan.
7. Establish a "living" document that can be updated as identified variables change that will affect the plan.

Relevant Financial Policies

The recession has impacted the City of Winters significantly with a reduction in assessed values and a resulting reduction in property tax revenues. Measure W, enacted in June 2010 by the voters of the City of Winters, increased the Utility User Tax from 4.75% to 9%, however, the tax did not take effect until October 1, 2010. Although these reductions in revenues were of a larger scale than anticipated at the time the budget for 2010-2012 was prepared, and, the City of Winters was unable to adhere to our General Fund policy that "Operating Revenues must fully cover operating expenditures" in the 2011-2012 fiscal year. Our Policy of having reserves on hand, as well as significant concessions from all levels of staff has enabled the City to continue to provide consistent levels of service even with declining revenues.

Capital Projects/Redevelopment

The City of Winters has implemented projects within the community to utilize the \$7.8 million in tax allocation bonds issued by the Winters Community Development Agency(CDA) in March 2004 and the \$11.4 million in tax allocation bonds issued in September 2007. The projects that have been implemented to date include:

- Downtown Master Planning: The CDA worked with businesses and property owners within the Main Street and Railroad Avenue corridors to develop an overall strategy and infrastructure plan that will facilitate development within this area.
- Economic Development: The CDA worked with consultants to create a marketing program to make it easy for prospective developers to consider projects within the City.
- Affordable Housing Program: The CDA worked with developers to provide financing to complete construction of a 72 unit affordable housing development.
- Community Enhancements: The CDA has built an amphitheatre at the community Center, completed a 110 downtown parking lot, rehabilitated the old railroad bridge to a bicycle and pedestrian trail across Putah Creek into the Community Center park area, installed restrooms at Rotary Park, and completed the installation of a shade structure on the Putah Creek entrance patio area of the Community Center.
- The Agency completed a \$1.5 million capital improvement to the intersection of Main St. and Railroad Ave. including roadway, pedestrian and street furnishings.

- First Time Home buyer program: The CDA has, in partnership with the City of Winters, implemented a first time homebuyer program. Approximately 15 first time homebuyers have been assisted through this program since the 04-05 fiscal year.
- The Agency completed construction of a Joint Police and Fire Facility providing a 40,000 square foot facility for both Police and Fire Departments and includes a training facility that also serves as the Emergency Operations Center for the City of Winters, with a generator that will power the facility in case of power failure.
- The Agency completed a \$680,000 capital improvement to the intersection of Main and First Street, along with a Mid-Block crossing.

In 2011, the Governor and State Legislature dissolved all redevelopment agencies throughout the State. The City of Winters is currently working its way through the dissolution process, which will hopefully be completed (absent debts owed by the former CDA) in 2014.

The City is implementing the Five Year Capital Improvement plan developed in fiscal 03-04 and has prioritized key infrastructure projects within the City. Projects have been implemented utilizing the 2007 Water and Sewer Revenue Bonds.

- Well #7 has been completed. This well was necessary to support economic development throughout the City.
- Water pipes were extended to the area along I-505, the next area of anticipated economic development outside of the downtown core.
- Sewer lines were replaced throughout the oldest part of the City.
- Wells #2 and #4 were rehabilitated to allow them to run more efficiently.
- A SCADA (Supervisory Control and Data Acquisition) system was installed. This allows for computer monitoring of the status of the Water and Sewer Systems at all times.
- Water Meters were installed City Wide and beginning January 2012, all water customers began being billed based on consumption.

The 03-04 Capital Improvement Plan will be reviewed and updated in the 13-14 fiscal year and will coordinate with the master plans for both Water and Sewer Enterprise Functions.

Awards and Acknowledgements

In 2009, the City of Winters was awarded the 2009 SACOG Blueprint Excellence Award for its efforts in planning, engineering and capital project implementation. This award is the highest award given within the five (5) county region in recognition for "smart growth" and the agency's ability to effectively implement capital projects.

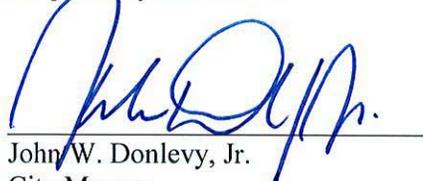
The Government Finance Officer Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Winters for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2012. This is the tenth year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City of Winters published an easily readable and efficiently organized CAFR. This report satisfied both the GAAP and applicable legal requirements.

To the Honorable Mayor, members of the
City Council and the Citizens of the City of Winters

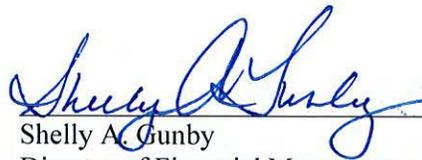
A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and are submitting it to the GFOA to determine its eligibility for another certificate.

This report could not have been prepared without the cooperation of all staff of the City of Winters. Also, we would like to acknowledge the professional work and advice of Moss, Levy & Hartzheim.

Respectfully Submitted:



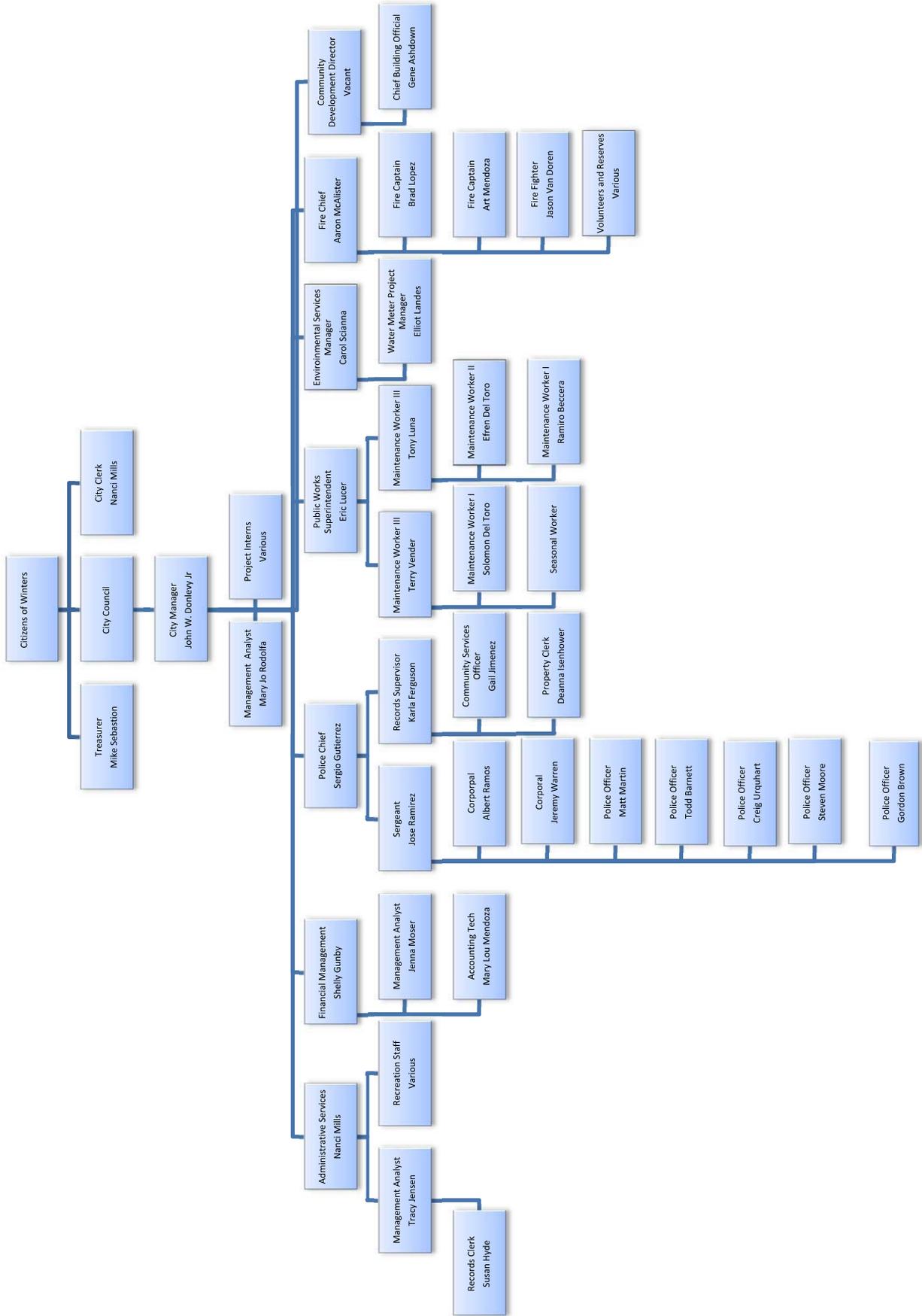
John W. Donlevy, Jr.
City Manger



Shelly A. Gunby
Director of Financial Management

CITY OF WINTERS, CALIFORNIA

ORGANIZATION CHART



CITY OF WINTERS, CALIFORNIA

June 30, 2013
ELECTED AND APPOINTED OFFICIALS



CITY COUNCIL

- *Cecilia Aguiar-Curry*.....Mayor
- *Woody Fridae*.....Mayor Pro Tem
- *Bruce Guelden*.....Council member
- *Harold Anderson*.....Council member
- *Wade Cowan*.....Council member

APPOINTED OFFICIALS

- *John W. Donlevy, Jr.*.....City Manager
- *Sergio Gutierrez*Police Chief
- *Nanci G. Mills*..... Director of Administrative Services
- *Shelly A. Gunby*.....Director of Financial Management
- *Vacant*Director of Community Development
- *Dan Maguire*.....Housing & Economic Development Manager
- *Aaron McAlister*.....Fire Chief



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Winters
California**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2012

Executive Director/CEO

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FINANCIAL SECTION



MOSS, LEVY & HARTZHEIM LLP

CERTIFIED PUBLIC ACCOUNTANTS

PARTNERS

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members
of the City Council of the City of Winters
Winters, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Winters (City), California, as of and for the fiscal year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Winters, California, as of June 30, 2013, and the respective changes in financial position and cash flows, where applicable thereof, for the fiscal year then ended, in conformity with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the basic financial statements effective July 1, 2012, the City of Winters adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 60, *Accounting and Financial Reporting for Service Concession Agreements*, Statement No. 61, *The Financial Reporting Entity: Omnibus*, Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, and Statement No. 63, *Financial Reporting of Deferred Outflows of Resource, Deferred Inflows of Resources, and Net Position*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4 through 20, the Schedule of Funding Progress – Other Postemployment Benefits on page 73, and Budgetary Comparison Schedules of the General Fund and North Putah Creek Special Revenue Fund on pages 74 and 75 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Winters' basic financial statements. The Introductory Section, the Budgetary Comparison Schedules for the Nonmajor Governmental Funds, the Combining Financial Statements for the Nonmajor Governmental Funds, Private-Purpose Trust Funds, and Agency Funds, and the Statistical Section listed in the table of contents are presented for purposes of additional analysis and are not required parts of the basic financial statements.

The Budgetary Comparison Schedules for the Nonmajor Governmental Funds and the Combining Financial Statements for the Nonmajor Governmental Funds, Private-Purpose Trust Funds, and Agency Funds are the responsibility of management and were derived from and related directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in our audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The Introductory Section and Statistical Section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issue our report dated December 13, 2013, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Moss, Levy & Hartzheim

Moss, Levy & Hartzheim LLP
Culver City, CA
December 13, 2013

CITY OF WINTERS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Management's Discussion and Analysis

As management of the City of Winters, we offer readers of the City of Winters' financial statements this narrative overview and analysis of the financial activities of the City of Winters for the fiscal year ended June 30, 2013. We encourage readers to consider the information presented here in conjunction with the accompanying transmittal letter, the basic financial statements, and the accompanying notes to the basic financial statements.

The financial statements presented herein include all financial activities of the City and its component units in accordance with Governmental Accounting Standards Board Statement No. 34, "Basic Financial Statements-and Management's Discussion and Analysis-For State and Local Governments" (GASB 34).

The Government-Wide Financial Statements present the financial position of the City using the economic resources measurement focus and the accrual basis of accounting. These statements present governmental activities and business-type activities separately. Also, these statements include all assets of the City, as well as all liabilities, including long-term debt. Additionally, in accordance with GASB 34, certain eliminations have been made related to interfund activity, payables, and receivables.

The Fund Financial Statements include governmental, proprietary, and fiduciary funds. The governmental funds are prepared using the current financial resources measurement focus and the modified accrual basis of accounting. A reconciliation of the Fund Financial Statements to the Government-Wide Financial Statements is provided to explain the differences created by the integrated approach under GASB 34. The proprietary funds are prepared using the economic resources measurement focus and the accrual basis of accounting. The fiduciary funds consist of trust and agency funds. Trust funds utilize the economic resources measurement focus and the accrual basis of accounting, while the agency funds only report a balance sheet (accrual basis of accounting) and therefore do not have a measurement focus.

Financial Highlights

- The assets of the City of Winters exceeded its liabilities at the close of the most recent fiscal year by \$28,820,714 (net position). Of this amount, \$5,962,683 is unrestricted net position. A nominal or negative unrestricted net position does not mean that the City of Winters is facing financial disaster, but rather, that the City of Winters has invested in projects or long term assets that are not reflected on the Statement of Net Position.
- As of the close of the current fiscal year, the City of Winters governmental funds reported combined ending fund balances of \$8,440,649 a decrease of \$280,516 in comparison with the prior fiscal year. Approximately 14.46% or \$1,221,128 is available for spending at the government's discretion (unassigned fund balance).
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$2,064,941 or, 53.38% of total general fund expenditures.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the City of Winters basic financial statements. The City of Winters basic financial statements comprise three components:

1. Government-wide financial statements
2. Fund Financial Statements
3. Notes to the financial statements

CITY OF WINTERS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2013

This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City of Winters finances, in a manner similar to a private-sector business.

The *Statement of Net Position* and the *Statement of Activities* report information about the City as a whole and its activities. These statements include all assets and liabilities of the City using the accrual basis of accounting and economic resources measurement focus, which is similar to the accounting used by most private-sector entities. Under the economic resources measurement focus, revenues are recognized when earned and expenses are recorded when the liability is incurred.

The *Statement of Net Position* reports the City's net position and changes in it. Net position is the difference between assets and liabilities, which is one way to measure the City's financial health, or financial position. Over time, increases or decreases in the City's net position is one indicator of whether its financial health is improving or deteriorating.

The *Statement of Activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the changes occurs, regardless of the timing of related cash flows. Thus, revenues are reported in this statement for some items that will only result in cash flows in future fiscal periods, such as uncollected taxes, and earned but unused vacation leave.

Both of the government-wide financial statements distinguish functions of the City of Winters that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business type activities.) The governmental activities of the City of Winters include; general government, public safety, public works, community development, parks and recreation, and streets and highways. The business-type activities of the City of Winters include the Water and Sewer functions of the City of Winters.

Fund Financial Statements

The fund financial statements provide detailed information about the City's major funds, not the City as a whole. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Winters, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of the City of Winters can be divided into three (3) categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the fiscal year. Governmental fund information helps determine whether there are more or less financial resources that can be spent in the near future to finance the City's programs. The differences between the Governmental Fund Financial Statements and the Government-Wide Financial Statements are explained in a reconciliation following the Government-Wide Financial Statements.

CITY OF WINTERS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2013

The City of Winters adopts an annual appropriated budget for its general fund. A budgetary comparison schedule has been provided for the general fund to demonstrate compliance with this budget.

Proprietary Funds. When the City charges customers for services, whether to outside customers or to programs of the City, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way in that all activities are reported in the Statement of Net Position and the Statement of Revenues, Expenses and Changes in Net Position. The City's enterprise funds are the same as the business-type activities reported in the Government-Wide Financial Statements, but provide more detail and additional information, such as cash flows, for each enterprise fund. The City also uses an internal service fund to report activities that provide supplies and services for the City's internal programs and activities.

Fiduciary funds. The City is the trustee, or fiduciary, for certain funds established to account for assets held by the City in a trustee capacity, or as an agent for individuals, private organizations, and other governmental units. The City's fiduciary activities are reported in a separate Fiduciary Statement of Net Position. These activities are excluded from the City's Government-Wide Financial Statements because the City cannot use these assets to finance its operations. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information

Combining statements are presented following the notes to the financial statements.

Government-wide Financial Analysis

The government-wide financial statements provide long-term and short-term information about the City of Winters overall financial condition. This analysis addresses the financial statements of the City as a whole.

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Winters, assets exceeded liabilities by \$28,820,714 at the close of the most recent fiscal year.

45.859% of the City's net position reflects its investment in capital assets (e.g., land, buildings, and improvements other than buildings, equipment, infrastructure, and construction in progress); less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investments in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The City reports its sewer and water activities as business-type activities and reports these activities in the government-wide statements.

An additional portion of the City of Winters net position (33.452%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* (\$5,962,683 or 20.689%) may be used to meet the government's ongoing obligations to citizens and creditors.

CITY OF WINTERS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2013

At the end of the current fiscal year, the City of Winters is able to report positive balances in all three categories of net position, governmental activities, business-type activities, as well as total activities.

TABLE 1
SUMMARY OF NET POSITION
AS OF JUNE 30

	Governmental Activities		Business-type Activities		Totals	
	2013	2012	2013	2012	2013	2012
ASSETS:						
Current and other Assets	\$ 13,433,629	\$ 14,227,310	\$ 5,588,558	\$ 5,827,254	\$ 19,022,187	\$ 20,054,564
Capital Assets, net	10,809,780	9,652,796	9,267,396	8,732,664	20,077,176	18,385,460
TOTAL ASSETS	\$ 24,243,409	\$ 23,880,106	\$ 14,855,954	\$ 14,559,918	\$ 39,099,363	\$ 38,440,024
LIABILITIES						
Liabilities due after one year	\$ 1,267,406	\$ 299,330	\$ 7,784,826	\$ 7,967,424	\$ 9,052,232	\$ 8,266,754
Other Liabilities	548,880	908,299	677,537	615,752	1,226,417	1,524,051
TOTAL LIABILITIES	\$ 1,816,286	\$ 1,207,629	\$ 8,462,363	\$ 8,583,176	\$ 10,278,649	\$ 9,790,805
NET POSITION						
Net investment in capital assets	\$ 10,809,780	\$ 9,652,796	\$ 2,407,222	\$ 3,595,646	\$ 13,217,002	\$ 13,248,442
Restricted	9,641,029	6,777,763	-	-	9,641,029	6,777,763
Unrestricted	1,976,314	6,241,918	3,986,369	2,381,096	5,962,683	8,623,014
TOTAL NET POSITION	\$ 22,427,123	\$ 22,672,477	\$ 6,393,591	\$ 5,976,742	\$ 28,820,714	\$ 28,649,219

There was an increase of \$2,863,266 in restricted net position reported in connection with the City of Winters' Governmental Activities. This increase is due to the increase in amount restricted for Income Restricted Housing \$4,264,155, an decrease in amount restricted for Capital Projects (\$1,561,575) and a decrease in the amount restricted for revolving loans (\$47,587), and an increase in the amount restricted for Parks \$208,273.

The net position of the City of Winters increased by \$171,495 during the fiscal year. The increase in net position is due to the decrease in net position in Governmental Activities of \$245,354 and an increase in Business-Type Activities of \$416,849. The discussion of each of the changes is included in the separate sections below.

Governmental Activities

Governmental activities decreased the City of Winters net position by (\$245,354). The decrease in net assets is due to an increase in liabilities (\$608,657) and an increase in assets \$363,303. Liabilities that increased were Deposits Payable (\$66,150), Compensated Absences (\$28,322) and an increase in Long term Debt (\$947,104), and a decrease in Accounts Payable (\$432,936) as well as minor increases in other liabilities (\$17). Assets that increased were Capital Assets (\$1,156,984), Deposits (\$70,234), Restricted Cash (\$91,493 and Receivable from Successor Agency Trust Fund (\$393,000), a reduction in the following assets occurred, Cash (\$950,196), Accounts Receivable (\$256,801), Notes Receivable (\$138,537), and Interest Receivable (\$2,874).

The Cost of all governmental activities during 2012-2013 was \$5,565,471. Some of the cost of governmental activities was paid by those who directly benefited from the programs in the amount of \$679,838 or by other governmental agencies and organizations that subsidized certain programs with grants and contributions in the amount of \$2,048,392. Overall, the City generated program revenues of \$2,728,230. The balance of the cost of governmental activities of \$3,602,159 was paid by the City of Winters sources of general revenues (taxes and general revenues).

CITY OF WINTERS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2013

The following table presents the changes in net position for the fiscal year ended June 30, 2013 and June 30, 2012:

TABLE 2
CHANGE IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30

	Governmental Activities		Business-type Activities		Totals	
	2013	2012	2013	2012	2013	2012
PROGRAM REVENUES						
Charges for services	\$ 679,838	\$ 515,590	\$ 2,830,999	\$ 2,734,944	\$ 3,510,837	\$ 3,250,534
Operating grants	412,573	454,489	-	-	412,573	454,489
Capital grants	1,635,819	903,837	510,886	1,458,688	2,146,705	2,362,525
GENERAL REVENUES						
Property taxes	1,429,395	2,103,907	-	-	1,429,395	2,103,907
Sales and uses taxes	408,845	374,975	-	-	408,845	374,975
Motor vehicle in lieu	3,639	3,511	-	-	3,639	3,511
Franchise fees	230,805	228,129	-	-	230,805	228,129
Utility tax	718,174	648,593	-	-	718,174	648,593
Municipal services tax	296,230	301,120	-	-	296,230	301,120
Transient occupancy tax	8,692	5,934	-	-	8,692	5,934
Other revenues	378,255	907,928	(190,314)	-	187,941	907,928
Investment income	128,124	163,862	5,357	22,880	133,481	186,742
TOTAL REVENUES	6,330,389	6,611,875	3,156,928	4,216,512	9,487,317	10,828,387
EXPENSES						
Governmental Activities						
General Government	349,842	320,983	-	-	349,842	320,983
Public Safety	2,947,065	2,939,539	-	-	2,947,065	2,939,539
Public Works	739,622	1,496,172	-	-	739,622	1,496,172
Community Development	499,056	937,790	-	-	499,056	937,790
Parks and Rereation	663,801	712,628	-	-	663,801	712,628
Streets and Highways	366,085	406,860	-	-	366,085	406,860
Interest on Long Term Debt	-	495,130	-	-	-	495,130
Business Type Activities						
Water	-	-	1,249,358	1,191,159	1,249,358	1,191,159
Sewer	-	-	1,490,721	1,607,864	1,490,721	1,607,864
TOTAL EXPENSES	5,565,471	7,309,102	2,740,079	2,799,023	8,305,550	10,108,125
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	764,918	(697,227)	416,849	1,417,489	1,181,767	720,262
EXTRAORDINARY ITEM						
Gain on transfer of assets and liabilities to RDA successor trust funds	-	2,870,570	-	-	-	2,870,570
TOTAL EXTRAORDINARY ITEM	-	2,870,570	-	-	-	2,870,570
CHANGE IN NET POSITION	764,918	2,173,343	416,849	1,417,489	1,181,767	3,590,832
NET POSITION JULY 1	22,672,477	-	5,976,742	4,422,879	28,649,219	24,922,013
PRIOR PERIOD ADJUSTMENTS	(1,010,272)	-	-	-	(1,010,272)	136,374
NET POSITION JULY 1, RESTATED	21,662,205	20,499,134	5,976,742	4,559,253	27,638,947	24,922,013
NET POSITION JUNE 30	\$ 22,427,123	\$ 22,672,477	\$ 6,393,591	\$ 5,976,742	\$ 28,820,714	\$ 28,649,219

CITY OF WINTERS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Property taxes decreased by (\$674,512) or 32.06%. The major reason for the decrease in property tax revenue is the dissolution of the Winters Community Development Agency as of January 31, 2012. In the prior fiscal year, the Winters Community Development Agency was a component unit of the City of Winters and all activity was included in the Governmental Activities section of this report, however, effective January 31, 2012, the State of California dissolved all redevelopment agencies in the state, and this report reflects no activities for the 2012-2013 for the Community Development Agency as a component unit and instead, reports the activities as a Private Purpose Trust fund.

Operating Contributions and Grants have decreased by (\$41,916) in 2012-2013 compared to 2011-2012. This is primarily due to the decrease in grant funding for Streets and Roads. The Gas Tax that the City receives is based on Motor Fuel Taxes and is administered by the State of California. This amount decreased by \$33,998 from what was received in 2012-2013. This amount fluctuates from year to year based on Motor Fuel Taxes collected by the State of California and then remitted to local jurisdictions. Additionally, in 2011-2012 there were small grants for General Government that were not available in 2012-2013.

Capital Contributions and Grants have increased from 2011-2012 amounts by \$731,982. This is due to the one time nature of grants. The City received a grant for construction of a walking trail along the Putah Creek North Bank in the amount of \$1,075,451. In 2011-2012 the City received grants for the construction and/or rehabilitation of streets and roads in the amount of \$745,284 but only received \$190,947 in 2012-2013.

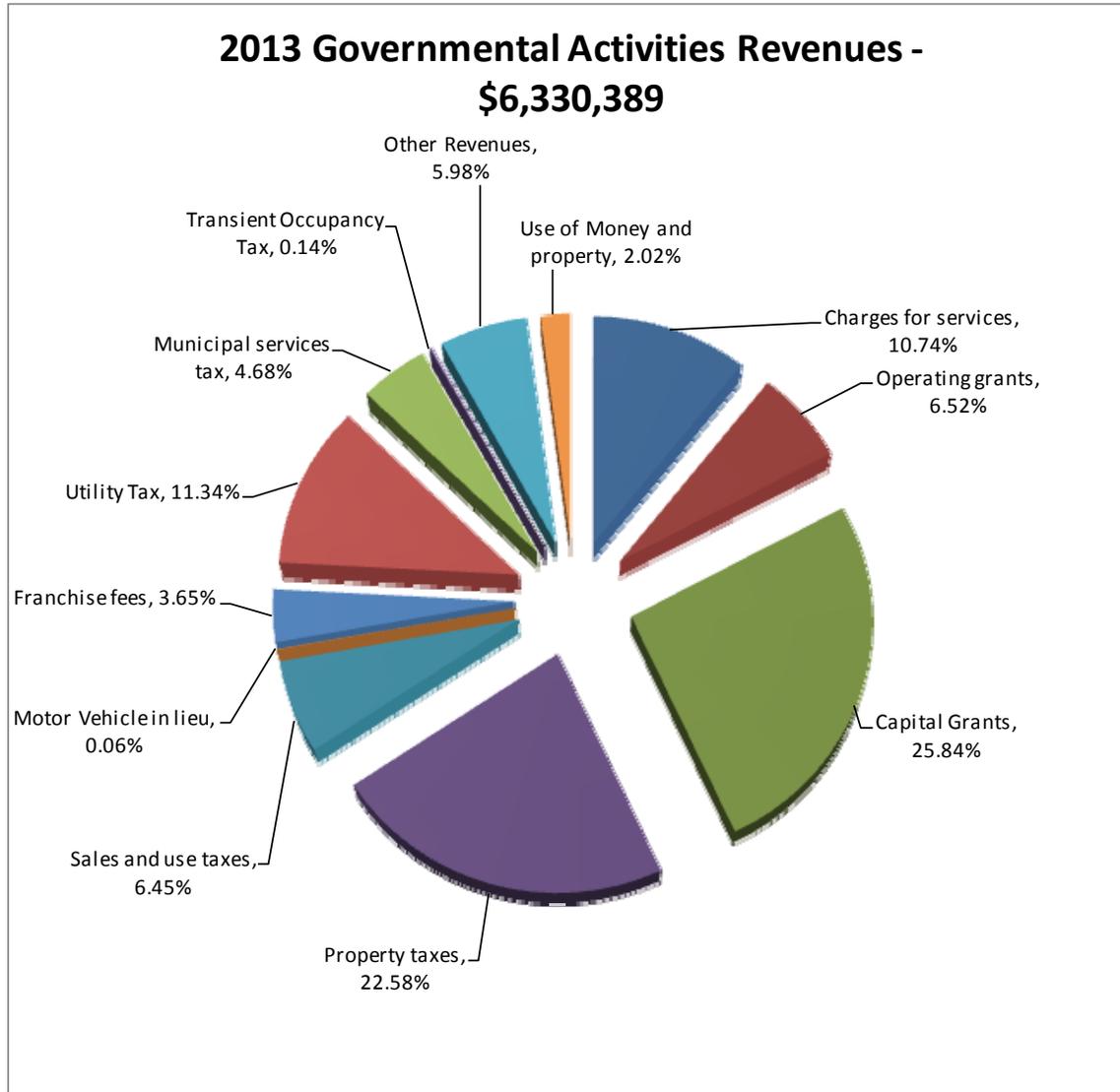
Charges for Services have increased from the 2011-2012 fiscal year by \$164,248. Increases in service charges for the Public Safety were \$12,752. This is due to increases in Traffic and Parking Fines as well as impact fees collected for Police and Fire. The service charges for Community Development increased by \$53,181 from 2011-2012 due to an increase in the permit fees and plan check fees due to increased activity in the building department. The service charges for Public Works increased by \$84,692 from 2011-2012 due to an increase in Impact Fees collected. Parks and Recreation increased by \$11,116 due to increased revenues at the Community Pool and Community Center. General Government service charges increased by \$2,507 from 2011-2012.

General revenues decreased by (\$1,135,800) from 2011-2012. The decrease in property tax revenue was (\$674,512) due to the dissolution of the Winters Community Development Agency. Additionally there were decreases in other revenues in the amount of (\$529,673). The decrease in the other revenues is primarily due to the one time receipt of \$525,000 of in lieu property tax in 2011-2012 from the developer of the Orchard Village Apartment Complex. Investment Income also decreased from 2011-2012 due to the reduction in cash investments and the continued low interest rates received on investments.

CITY OF WINTERS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2013

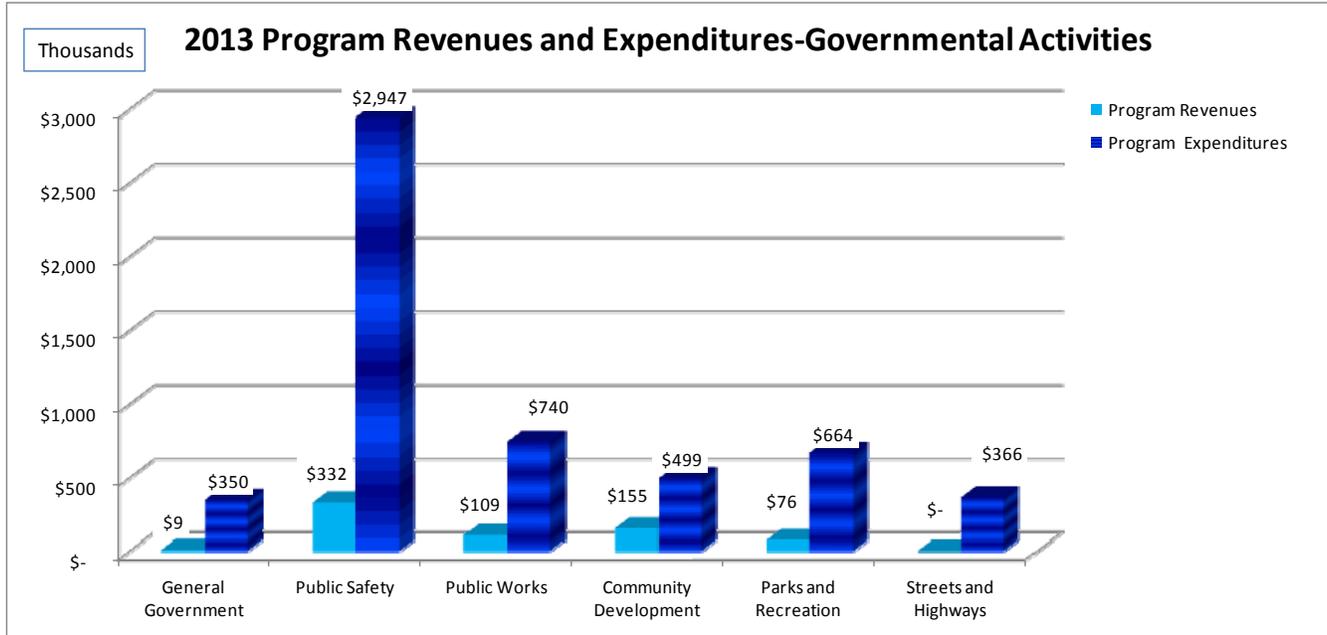
Revenues by Source-Governmental Activities



CITY OF WINTERS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Program Revenues and Expenses -Governmental Activities



Governmental activity expenses decreased by (\$1,743,631) compared to 2011-2012 for the following reasons:

- Decrease in Community Development Expenditures of (\$438,734) due to the reduction in staffing and the dissolution of the Community Development Agency effective January 31, 2012. A substantial portion of Community Development Expenditures resulted from an active Community Development Agency in prior years.
- Increase in General Government of \$28,859. The increase in General Government is due to the addition of a Records Clerk Position that was filled for a portion of the 2012-2013 year.
- Increase in Public Safety of \$7,526, this is due to a slight increase in the Public Safety Calpers contribution.
- Decrease in Public Works expenditures in the amount of (\$756,550), this decrease is due to the completion of projects in 2011-2012. There were no new capital projects undertaken in 2012-2013.
- Decreased expenditures of (\$48,827) for Parks and Recreation. Expenditures were reduced in Park Maintenance (\$7,365), the Afterschool Program (\$4,225), General Recreation (\$1,993), Fireworks (\$10,495), Jardin De Ninos Program (\$4,985), and the Swimming Pool (\$4,957), as well as reductions in Park Grant expenditures of (\$14,807)
- Decrease in expenditures in Streets and Highways of (\$40,775). This decrease is due to the decreased funding in the Gas Tax Fund, since funding was decreased, expenditures were reduced.
- Decrease in Interest on Long Term Debt due to Debt Service on the 2004 and 2007 Tax Allocation Bonds in the amount of (\$495,130). This amount is now reported in Private Purpose Trust Fund.

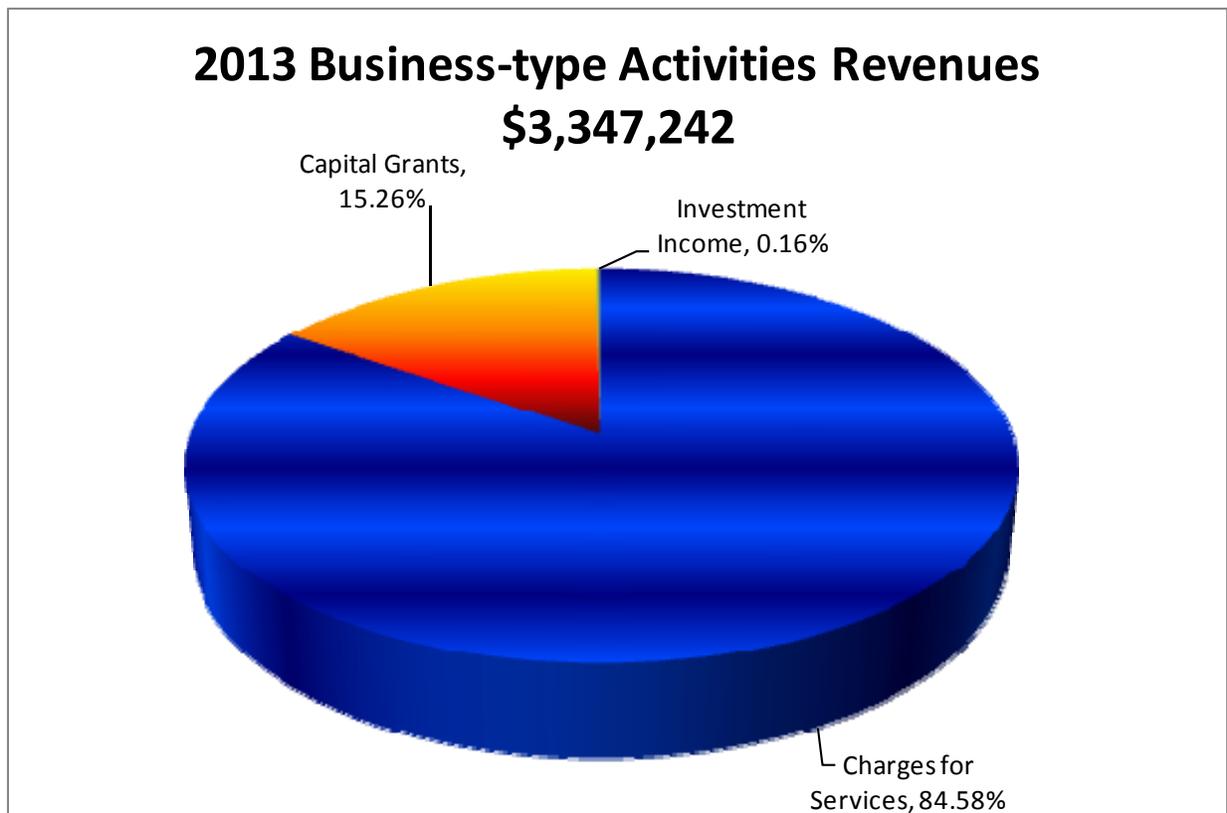
CITY OF WINTERS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Business-Type Activities

Business-type activities increased the City of Winters net position by \$416,849. Key elements of the increase in the net position are as follows:

- The Water O & M fund increased net position by \$149,647 for the fiscal year. Assets increased by \$77,446. The increase in assets was due primarily because Cash and Investments increased by \$100,964 from 2011-2012 while Accounts Receivable decreased by (\$33,834). Liabilities decreased by (\$72,201), decreases were due to a decrease in Long Term Debt of (\$88,001) while Accounts Payable increased by \$10,468.
- The Sewer O & M Fund increased net position of the City of Winters by \$267,202. Assets increased by \$218,590, Cash increased by \$101,413 and Restricted Cash decreased by (\$1,789,905) while Fixed Assets increased by \$1,908,686. Liabilities decreased by (\$48,612), Accounts Payable decreased by (\$10,909), Deposits Payable increased by \$62,250, Long Term Debt due within one year increased by \$5,000 and Long term debt due after one year decreased by (\$104,083).



CITY OF WINTERS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Financial Analysis of the Government's Funds

As noted earlier, the City of Winters uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the City of Winters' governmental funds is to provide information on near-term inflow, outflows and balances of spendable resources. Such information is useful in assessing the City of Winters' financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City of Winters' governmental funds reported combined ending fund balances of \$8,440,649, a decrease of (\$280,516) in comparison with the prior fiscal year. Approximately 14.467% or \$1,221,128 is available for spending at the government's discretion (unassigned fund balance). The remainder of the fund balance is restricted to indicate that it is unavailable for new spending because it is restricted for various purposes (see Note 1F).

The General Fund is the chief operating fund of the City of Winters, accounting for all financial resources traditionally associated with government activities that are not legally required to be accounted for in another fund.

The General Fund ended the fiscal year with a fund balance of \$2,522,762, which is a decrease of (\$40,429) as compared to the prior fiscal year. The fund balance is composed of 5 components as designated by the City Council these classifications and amounts are:

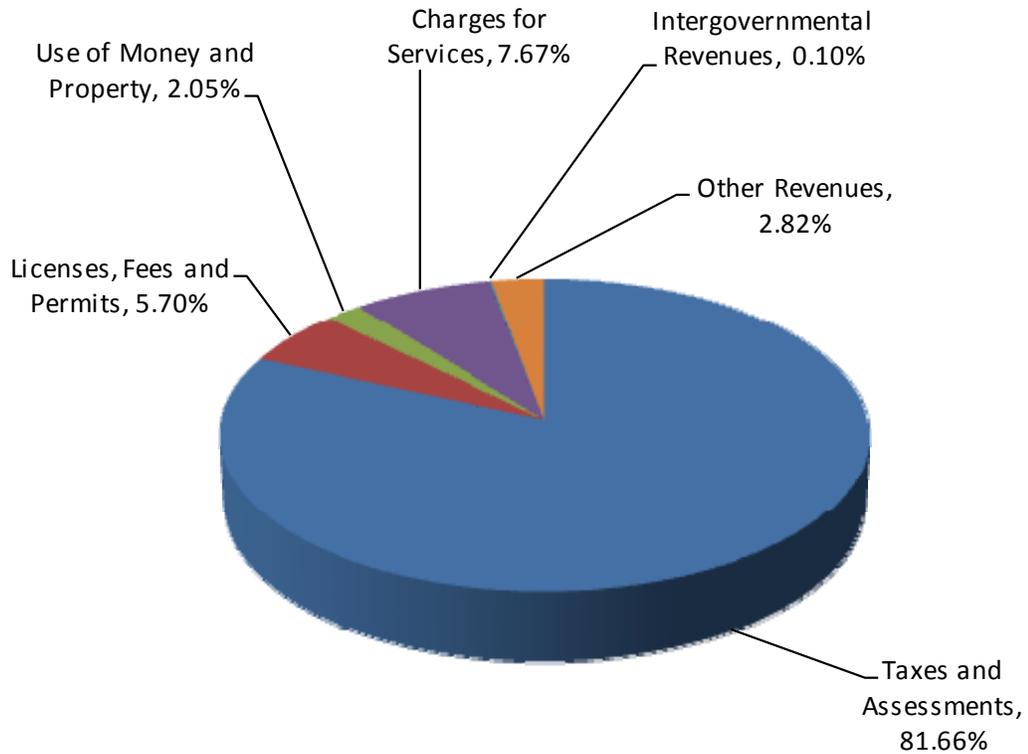
1. Non-spendable Fund balance- \$457,821. These are a portion of the fund balance that cannot be spent because it is not in a spendable form, such as a non-current receivable.
2. Restricted Fund Balance- \$0. These are amounts that are restricted by the source of the funds, such as a grant.
3. Committed Fund Balance- \$0. These are amounts that are restricted due to a formal action of the City Council.
4. Assigned Fund Balance- \$0 These amounts are funds that are intended for a specific purpose, but for which no formal action has yet to be taken by the City Council.
5. Unassigned fund balance \$ 2,064,941. This portion of the fund balance is the spendable portion of fund balance that does not fall into one of the other four categories.

General Fund revenues for the fiscal year ended June 30, 2013 were \$3,682,210 comprised of the following:

CITY OF WINTERS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2013

2013 General Fund Revenues - \$3,682,210

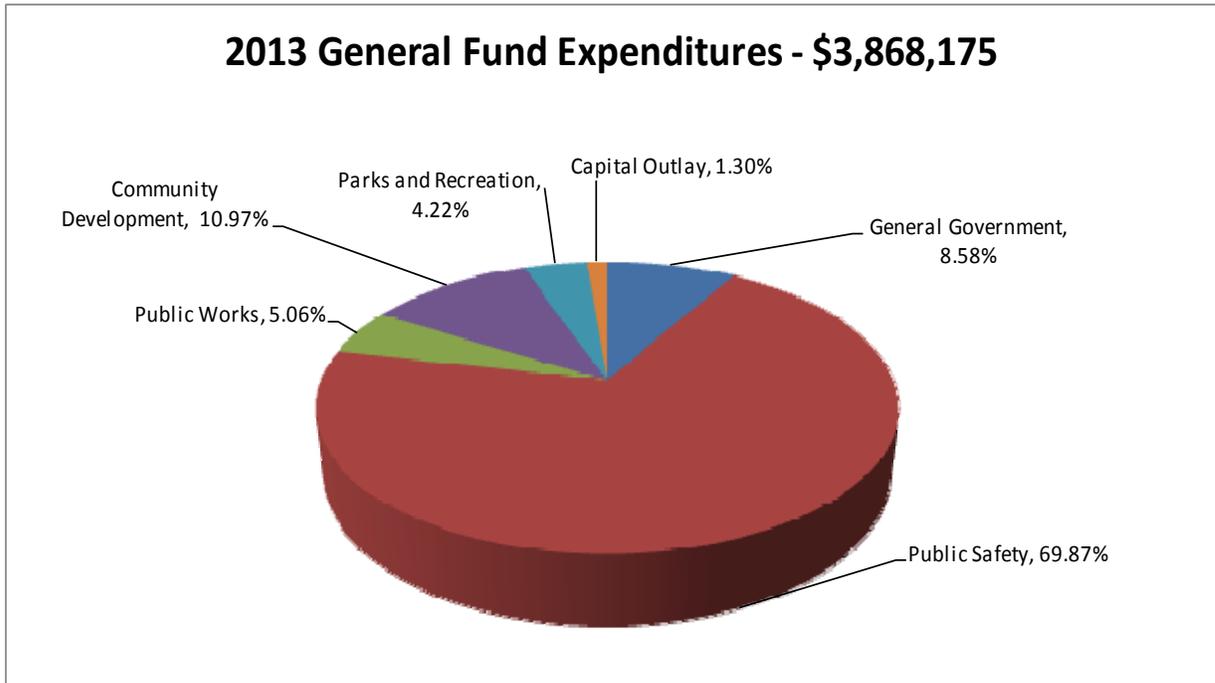


	Amount
Taxes and Assessments	\$ 3,006,973
Licenses, Fees and Permits	209,949
Use of Money and Property	75,643
Charges for Services	282,466
Intergovernmental Revenues	3,639
Other Revenues	103,540
TOTAL	\$ 3,682,210

CITY OF WINTERS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2013

General Fund expenditures were \$3,868,175 for the fiscal year ended June 30, 2013 were as follow:



	Amount
General Government	\$ 331,797
Public Safety	2,702,525
Public Works	195,714
Community Development	424,175
Parks and Recreation	163,322
Capital Outlay	50,642
TOTAL	\$ 3,868,175

CITY OF WINTERS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Other Major Funds

North Putah Creek Fund:

The North Putah Creek Fund is used to account for a Federal Grant to construct a walking trail along the North Bank of Putah Creek as a part of the Putah Creek Nature Park. In addition to construction costs, the fund has restricted cash for the maintenance of a mitigation fund for the Elderberry Bush, which is habitat to the Elderberry beetle. This cash funding is to be held in perpetuity, and the investment income may be used to maintain the Elderberry Bushes in the mitigation area.

HOME CHOC Fund

The HOME CHOC Fund is used to account for the expenditures of HOME Funds granted to CHOC (Community Housing Opportunities Corporation for the construction of a 45 unit affordably restricted apartment complex located within the City of Winters. The City received grant funds from the HOME program and loaned the funds to CHOC to construct the apartments.

Housing Successor Fund:

On January 31, 2012 the State of California dissolved all Redevelopment Agencies in the State of California. The housing function of the dissolved Winters Community Development Agency was assumed by the City of Winters, and the Housing Successor Fund was established. This fund has a restricted fund balance of \$1,051,137. The City has received a Finding of Completion from the California Department of Finance, and will operate the housing functions and expenditures in such a manner to increase and maintain affordable housing units within the City of Winters.

Proprietary Funds

The City of Winters' proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Water and Sewer funds at the end of the fiscal year amounted to \$2,565,743 and \$1,420,626 respectively. Both the Water Fund and Sewer Fund had an increase in net position during the fiscal year. Other factors concerning the finances of these two funds have already been addressed in the discussion of the City of Winters business-type activities.

General fund Budgetary Highlights

The City's annual budget is the legally adopted expenditure control document of the City. Budgets are prepared on a modified accrual basis consistent with US GAAP.

Unexpended appropriations lapse at year-end. The City Council reauthorizes appropriations for continuing projects and activities. The City Council has the legal authority to amend the budget of any fund at any time during the fiscal year. The budget is adopted at the fund and department level. The City Manager is authorized to make transfers between account codes and departments within each fund, except for contingencies. City Council approval is required for transfers between funds, except those inter-fund transfers approved in the budget and must authorize any revisions which alter total expenditures of the city.

There were no approved increased expenditures over the original budget in the area of Community Development and Capital Outlay during the fiscal year.

CITY OF WINTERS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2013

General Fund revenues were higher than budget amounts in total, the sources of revenue are as follow:

- ❖ Taxes and Assessments
 - Revenues were more than budgeted by \$93,811 due to the City receiving the repayment of the Prop 1A loan by the State of California.
- ❖ Licenses, Fees, and permits
 - Revenues were more than budgeted by \$61,799, plan check fees and building related fee revenues were higher than budgeted.
- ❖ Use of Money and Property
 - Revenues were more than budgeted by \$31,778, a vacant building owned by the City was rented to Rise, a community service organization during the fiscal year 2012-2013. This revenue source was not included in the budget at the time it was prepared because the City had not been approached to rent the building. Investment earnings were also higher than budgeted due to having an investment balance higher than anticipated during the year.
- ❖ Intergovernmental Revenues
 - Revenues were more than budgeted by \$639.
- ❖ Charges for Services
 - Revenues were more than budgeted by \$2,737, this is due to increased Community Center Rental revenues.
- ❖ Other Revenue
 - Revenues were more than budgeted by \$3,789 due to reimbursement for sidewalk repairs done on the Winters Joint Unified School District Property

Expenditures were higher than budgeted throughout the organization in 2012-2013. Explanations are as follows:

- ❖ General Government
 - ❖ General Government actually spent more than budgeted by \$71,012 due to increased costs for administering the Successor Agency to the Dissolved Community Development Agency. The City was to receive \$250,000 in administrative fees if there was sufficient funds to provide it. Due to years of declining assessed values in the Redevelopment Project Area, the property tax available to pay the obligations of the Successor Agency was not sufficient to pay the City the full amount.
- ❖ Public Safety
 - Both Police and Fire Departments had expenditures less than budgeted for the fiscal year. This was due to the turnover in staff at the Police Department and the vacancy in positions while hiring procedures were taking place. The Fire Department had less expenditures than budgeted due to less overtime than budgeted. Most overtime for the Fire Department was due to mutual aid services, which is reimbursed by CalFire.
- ❖ Public Works
 - Expenditures were higher than budgeted due to higher personnel costs throughout the year.
- ❖ Community Development
 - Community Development expenditures were higher than budgeted due to increased costs for administering the Successor Agency to the Dissolved Community Development Agency.

CITY OF WINTERS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Capital Asset and Debt Administration

Capital Assets

The City of Winters' investment for capital assets for its governmental and business type activities as of June 30, 2013, amounts to \$19,759,588 (net of accumulated depreciation). This investment in capital assets includes land, buildings and systems, improvements, machinery and equipment, park facilities, water wells and distribution and sewer plant and collection facilities.

TABLE 3
CAPITAL ASSETS, NET OF DEPRECIATION
FOR THE FISCAL YEAR ENDED JUNE 30

	Governmental Activities		Business-type Activities		Totals	
	2013	2012	2013	2012	2013	2012
Capital Assets not being Depreciated:						
Construction in Progress	\$ 478,080	\$ 932,613	\$ 1,771,210	\$ 460,264	\$ 2,249,290	\$ 1,392,877
Land	557,341	1,347,551	682,979	2,182,979	1,240,320	3,530,530
Depreciable Capital Assets, net:						
Sewer and Water Plant	-	-	5,286,048	4,659,505	5,286,048	4,659,505
Buildings	1,640,621	1,729,423	-	-	1,640,621	1,729,423
Machinery and Equipment	-	-	855,328	736,409	855,328	736,409
Vehicles and Equipment	163,675	235,965	-	-	163,675	235,965
Infrastructure	7,970,063	5,407,244	354,243	362,793	8,324,306	5,770,037
TOTAL	\$ 10,809,780	\$ 9,652,796	\$ 8,949,808	\$ 8,401,950	\$ 19,759,588	\$ 18,054,746

Capital asset additions during 2012-2013 include the following:

- North Bank Putah Creek Trail
- Matsumoto Lane Traffic Signal
- Pool Vehicle
- CSI Vehicle
- In Car Camera Systems for Police Cars
- New City Server
- Water and Sewer Lines at Matsumoto Lanes

Additional information on the City of Winters' capital assets can be found in Note 7 of this report.

CITY OF WINTERS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Long-term Debt

At June 30, 2013, the City of Winters had \$9,353,383 in total long-term debt, compared to \$8,554,082 on June 30, 2012.

The following table provides a breakdown of the City's outstanding indebtedness as of June 30, 2013:

TABLE 4
OUTSTANDING DEBT
FOR THE FISCAL YEAR ENDED JUNE 30

	Governmental Activities		Business-type Activities		Totals	
	2013	2012	2013	2012	2013	2012
Revenue Bonds:						
2007 Water Bonds	\$ -	\$ -	\$ 3,645,000	\$ 3,730,000	\$ 3,645,000	\$ 3,730,000
2007 Sewer Bonds	-	-	4,300,000	4,400,000	4,300,000	4,400,000
Compensated Absences	411,773	383,451	32,087	25,858	443,860	409,309
Post Employment Benefits	23,036	11,742	5,947	3,031	28,983	14,773
Cal Pers Side Fund Liabilities	935,540	-	-	-	935,540	-
Totals	1,370,349	395,193	7,983,034	8,158,889	9,353,383	8,554,082
Less: due within one year	(102,943)	(95,863)	(198,208)	(191,465)	(301,151)	(287,328)
TOTALS	\$ 1,267,406	\$ 299,330	\$ 7,784,826	\$ 7,967,424	\$ 9,052,232	\$ 8,266,754

The Water Revenue bonds are paid from the service charge received for water service by customers of the Water Enterprise Fund. The Water Enterprise Fund issued bonds in September 2007. For more information on the Water Revenue bonds, please see Note 8 of this report.

The Sewer Revenue bonds are paid from the service charge received for sewer service by the customers of the Sewer Enterprise Fund. The Sewer Enterprise Fund issued bonds in September 2007. For more information on the Sewer Revenue bonds, please see Note 8 of this report.

Economic Factors and Next Years Budgets and Rates

- Small growth in both residential and commercial buildings
- Implementation of Public Employee Pension Reform Act (PEPRA) adopted by the State of California
- Easing of Wage and Benefit Concessions from employees as assessed values impacting property tax revenues and sales tax revenues recover
- Employee Retention programs
- Implementation of Economic Development Projects to encourage additional Economic Development Growth
- Stagnant assessed values of properties throughout the City
- Implementation of 2 tier water rates and winter usage based sewer rates

All of the above factors were considered in the preparation of the City of Winters 2013-2014 budget.

The water and sewer fund rates were increased in the 2013-2014 budget. The rate increases were necessary to continue to maintain an aging infrastructure, and to pay debt service on the Water and Sewer Revenue bonds (2007). Since receipt of the bond proceeds, there have been extensive repair and replacement projects included in the budget of the enterprise funds for 2013-2014.

CITY OF WINTERS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Requests for Information

This management's discussion and analysis is designed to provide the City's residents, taxpayers, customer, investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Financial Management, 318 First St., Winters, CA 95694.

CITY OF WINTERS
Statement of Net Position
June 30, 2013

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Totals</u>
ASSETS:			
CURRENT ASSETS:			
Cash and investments	\$ 5,842,801	\$ 2,274,281	\$ 8,117,082
Receivables:			
Accounts receivable	557,405	306,123	863,528
Interest receivable	3,992	824	4,816
Notes receivable	4,555,172		4,555,172
Deposits	70,234		70,234
Land held for resale	127,299		127,299
Receivable due from successor agency trust fund	1,552,723	1,500,000	3,052,723
Internal balances	(416,557)	416,557	
Restricted cash and investments with fiscal agent	1,140,560	1,090,773	2,231,333
TOTAL CURRENT ASSETS	13,433,629	5,588,558	19,022,187
NONCURRENT ASSETS:			
Nondepreciable capital assets	1,035,421	2,454,189	3,489,610
Depreciable capital assets, net	9,774,359	6,495,619	16,269,978
Deferred charges, net		317,588	317,588
TOTAL NONCURRENT ASSETS	10,809,780	9,267,396	20,077,176
TOTAL ASSETS	24,243,409	14,855,954	39,099,363
LIABILITIES:			
CURRENT LIABILITIES:			
Accounts payable	252,835	85,086	337,921
Accrued payroll liabilities	55,184		55,184
Interest payable		116,045	116,045
Deposits payable	137,918	276,248	414,166
Refundable deposits		1,950	1,950
Compensated absences, due within one year	102,943	3,208	106,151
Long-term debt, due within one year		195,000	195,000
TOTAL CURRENT LIABILITIES	548,880	677,537	1,226,417
NONCURRENT LIABILITIES:			
Compensated absences, due after one year	308,830	28,879	337,709
Long-term debt, due after one year	958,576	7,755,947	8,714,523
TOTAL NONCURRENT LIABILITIES	1,267,406	7,784,826	9,052,232
TOTAL LIABILITIES	1,816,286	8,462,363	10,278,649
NET POSITION			
Net investment in capital assets	10,809,780	2,407,222	13,217,002
Restricted for:			
Income restricted housing	4,264,155		4,264,155
Capital projects	3,013,427		3,013,427
Revolving loans	1,273,008		1,273,008
Parks and street lighting	70,253		70,253
Flood control	3,827		3,827
Streets and roads	226,490		226,490
First time homebuyers program	84,411		84,411
Traffic safety	174,233		174,233
Asset forfeiture	13,210		13,210
Afterschool program	121,596		121,596
Vehicle theft	66,823		66,823
Transportation	286,832		286,832
Fire prevention	854		854
Public safety	16,874		16,874
Beverage recycling	25,036		25,036
Unrestricted	1,976,314	3,986,369	5,962,683
TOTAL NET POSITION	\$ 22,427,123	\$ 6,393,591	\$ 28,820,714

The accompanying notes are an integral part of these basic financial statements.

CITY OF WINTERS
Statement of Activities
For the Fiscal Year Ended June 30, 2013

<u>Functions/Programs</u>	<u>Operating Expenses</u>	<u>Charges for Services</u>	<u>Program Revenues</u>	
			<u>Grants and Contributions</u>	
			<u>Operating</u>	<u>Capital</u>
Governmental Activities:				
General government	\$ 349,842	\$ 8,901	\$ -	\$ -
Public safety	2,947,065	331,534	114,032	411
Public works	739,622	109,232		1,075,451
Community development	499,056	154,549		369,010
Parks and recreation	663,801	75,622	130,933	
Streets and highways	366,085		167,608	190,947
TOTAL GOVERNMENTAL ACTIVITIES	5,565,471	679,838	412,573	1,635,819
Business-type Activities:				
Water	1,249,358	1,266,720		229,309
Sewer	1,490,721	1,564,279		281,577
TOTAL BUSINESS-TYPE ACTIVITIES	2,740,079	2,830,999		510,886
TOTAL GOVERNMENT	\$ 8,305,550	\$ 3,510,837	\$ 412,573	\$ 2,146,705

General Revenues:

Taxes:

- Property taxes
- Sales and use taxes
- Motor vehicle in-lieu, unrestricted
- Franchise fees
- Utility tax
- Municipal service tax
- Transient occupancy tax
- Other revenues
- Investment income

Transfers

Total General Revenues and Transfers

Change in Net Position

Net Position, July 1, 2012

Prior Period Adjustments

Net Position, July 1, 2012, restated

Net Position, June 30, 2013

The accompanying notes are an integral part of these basic financial statements.

**Net (Expense) Revenue and
Changes in Net Position**

Governmental Activities	Business-type Activities	Totals
\$ (340,941)	\$ -	\$ (340,941)
(2,501,088)		(2,501,088)
445,061		445,061
24,503		24,503
(457,246)		(457,246)
(7,530)		(7,530)
<u>(2,837,241)</u>		<u>(2,837,241)</u>
	246,671	246,671
	355,135	355,135
	601,806	601,806
<u>(2,837,241)</u>	<u>601,806</u>	<u>(2,235,435)</u>
1,429,395		1,429,395
408,845		408,845
3,639		3,639
230,805		230,805
718,174		718,174
296,230		296,230
8,692		8,692
187,941		187,941
128,124	5,357	133,481
190,314	(190,314)	
<u>3,602,159</u>	<u>(184,957)</u>	<u>3,417,202</u>
<u>764,918</u>	<u>416,849</u>	<u>1,181,767</u>
22,672,477	5,976,742	28,649,219
<u>(1,010,272)</u>		<u>(1,010,272)</u>
<u>21,662,205</u>	<u>5,976,742</u>	<u>27,638,947</u>
<u>\$ 22,427,123</u>	<u>\$ 6,393,591</u>	<u>\$ 28,820,714</u>

**CITY OF WINTERS
Balance Sheet
Governmental Funds
June 30, 2013**

	<u>Special Revenue Funds</u>			
	<u>General Fund</u>	<u>North Putah Creek Fund</u>	<u>HOME-CHOC Fund</u>	<u>Housing Successor Fund</u>
ASSETS				
Cash and investments	\$ 697,334	\$ 149,552	\$ -	\$ -
Receivables:				
Accounts receivable	435,002			
Interest receivable	512			695
Due from developers	70,234			
Notes receivable	18,584		2,843,180	369,838
Due from other funds	1,193,418			
Receivable due from successor agency trust fund	457,821			
Advances to other funds				
Land held for resale				127,299
Restricted cash and investments with fiscal agent				1,140,560
TOTAL ASSETS	<u>\$ 2,872,905</u>	<u>\$ 149,552</u>	<u>\$ 2,843,180</u>	<u>\$ 1,638,392</u>
LIABILITIES				
Accounts payable	\$ 148,046	\$ 321	\$ -	\$ 84
Accrued payroll liabilities	55,184			
Deposits payable	128,329			
Unearned revenue	18,584		2,843,180	369,838
Due to other funds				217,333
Advances from other funds				
TOTAL LIABILITIES	<u>350,143</u>	<u>321</u>	<u>2,843,180</u>	<u>587,255</u>
FUND BALANCES				
Nonspendable	457,821			
Restricted		149,231		1,051,137
Committed				
Assigned				
Unassigned	2,064,941			
TOTAL FUND BALANCES	<u>2,522,762</u>	<u>149,231</u>	<u></u>	<u>1,051,137</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 2,872,905</u>	<u>\$ 149,552</u>	<u>\$ 2,843,180</u>	<u>\$ 1,638,392</u>

The accompanying notes are an integral part of these basic financial statements.

Other Governmental Funds	Totals
\$ 4,967,371	\$ 5,814,257
122,278	557,280
2,785	3,992
	70,234
1,323,570	4,555,172
29,070	1,222,488
1,094,902	1,552,723
125,000	125,000
	127,299
	1,140,560
<u>\$ 7,664,976</u>	<u>\$ 15,169,005</u>
\$ 67,586	\$ 216,037
	55,184
9,589	137,918
1,323,570	4,555,172
1,421,712	1,639,045
125,000	125,000
<u>2,947,457</u>	<u>6,728,356</u>
	457,821
4,426,932	5,627,300
1,078,260	1,078,260
56,140	56,140
(843,813)	1,221,128
<u>4,717,519</u>	<u>8,440,649</u>
<u>\$ 7,664,976</u>	<u>\$ 15,169,005</u>

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CITY OF WINTERS
Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Position
June 30, 2013

TOTAL FUND BALANCES - TOTAL GOVERNMENTAL FUNDS \$ 8,440,649

Amounts reported for Governmental Activities in the Statement of Net Position are different from those reported in the governmental funds because of the following:

Capital assets used in Governmental Activities are not current resources and, therefore, are not reported in the governmental funds.

Capital assets	\$ 15,014,977	
Less: accumulated depreciation	(4,205,197)	10,809,780

Certain notes receivable and accounts receivable are not available to pay for current period expenditures and, therefore are offset by unearned revenue in the governmental funds

Rehabilitation loans	4,149,950	
Developer loan	35,384	
Housing successor agency loans	369,838	4,555,172

Long-term assets and liabilities are not due and payable in the current period and therefore are not reported in the governmental funds' balance sheet:

CalPERS side fund payable	(935,540)	
Postemployment benefits	(23,036)	
Compensated absences	(411,773)	(1,370,349)

Internal service funds are used by management to charge costs of certain activities, such as billings and collections, to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position.

(8,129)

Net Position of Governmental Activities \$ 22,427,123

The accompanying notes are an integral part of these basic financial statements.

CITY OF WINTERS
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2013

	Special Revenue Funds			
	General Fund	North Putah Creek Fund	HOME-CHOC Fund	Housing Successor Fund
REVENUES:				
Taxes and assessments	\$ 3,006,973	\$ -	\$ -	\$ -
Fines, forfeitures and penalties				
Licenses, fees and permits	209,949			
Program income				
Use of money and property	75,643	150		3,438
Intergovernmental revenues	3,639	1,075,451		
Charges for services	282,466			
Other revenue	103,540			
TOTAL REVENUES	<u>3,682,210</u>	<u>1,075,601</u>		<u>3,438</u>
EXPENDITURES:				
Current:				
General government	331,797	262		
Public safety	2,702,525			
Public works	195,714			
Community development	424,175			2,456
Parks and recreation	163,322			
Streets and highways				
Capital outlay	50,642	1,279,009		
TOTAL EXPENDITURES	<u>3,868,175</u>	<u>1,279,271</u>		<u>2,456</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(185,965)</u>	<u>(203,670)</u>		<u>982</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	311,386	622,236		
Transfers out	(92,802)			
TOTAL OTHER FINANCING SOURCES (USES)	<u>218,584</u>	<u>622,236</u>		
NET CHANGE IN FUND BALANCES	<u>32,619</u>	<u>418,566</u>		<u>982</u>
FUND BALANCES, JULY 1, 2012	2,563,191	(269,335)		1,050,155
PRIOR PERIOD ADJUSTMENTS	<u>(73,048)</u>			
FUND BALANCES, JULY 1, 2012, RESTATED	<u>2,490,143</u>	<u>(269,335)</u>		<u>1,050,155</u>
FUND BALANCES, JUNE 30, 2013	<u>\$ 2,522,762</u>	<u>\$ 149,231</u>	<u>\$ -</u>	<u>\$ 1,051,137</u>

The accompanying notes are an integral part of these basic financial statements.

Other Governmental Funds	Totals
\$ 364,171	\$ 3,371,144
16,146	16,146
171,277	381,226
27,182	27,182
48,893	128,124
805,333	1,884,423
	282,466
84,402	187,942
<hr/>	<hr/>
1,517,404	6,278,653
	332,059
132,202	2,834,727
20,995	216,709
	426,631
425,769	589,091
248,735	248,735
1,164,880	2,494,531
<hr/>	<hr/>
1,992,581	7,142,483
<hr/>	<hr/>
(475,177)	(863,830)
102,478	1,036,100
(752,984)	(845,786)
<hr/>	<hr/>
(650,506)	190,314
<hr/>	<hr/>
(1,125,683)	(673,516)
5,377,154	8,721,165
<hr/>	<hr/>
466,048	393,000
<hr/>	<hr/>
5,843,202	9,114,165
<hr/>	<hr/>
\$ 4,717,519	\$ 8,440,649

CITY OF WINTERS
Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Fiscal Year Ended June 30, 2013

The schedule below reconciles the Net Changes in Fund Balances reported on the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances, which measure only changes in current assets and current liabilities on the modified accrual basis, with the Change in Net Position of Governmental Activities reported in the Statement of Activities, which is prepared on the full accrual basis.

Net change in fund balances \$ (673,516)

Amounts reported for governmental activities in the Statement of Activities are different because of the following:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is capitalized and allocated over their estimated lives and reported as depreciation expense.

Capital outlay expenditures are therefore added back to fund balances	\$ 2,486,844	
Depreciation expense not reported in governmental funds	(364,441)	
Contribution of capital assets to business-type activities	(510,886)	
Conveyance of land to successor agency	<u>393,000</u>	2,004,517

Gain or loss on disposition of capital assets is not reported in the governmental funds. This is the loss on disposition of capital assets that occurred during the current period. (454,533)

Certain receivables are offset by unearned revenue in the governmental funds because they are not available to pay for current period expenditures. This amount represents the amount by which prior year unearned revenue exceeded current year. (138,537)

The amounts below included in the Statement of Activities do not provide (require) the use of current financial resources and, therefore, are not reported as revenues or expenditures in governmental funds (net change):

CalPERS side fund payable	74,732	
Postemployment benefits	(11,294)	
Compensated absences	<u>(28,322)</u>	35,116

The internal service funds are used by management to charge costs of certain activities such as billings and collections to individual funds. The net revenues (expenses) of the internal service funds are reported with governmental activities. (8,129)

Change in net position of governmental activities \$ 764,918

The accompanying notes are an integral part of these basic financial statements.

CITY OF WINTERS

Enterprise Funds and Internal Service Fund

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The intent of the City Council of the City of Winters is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

Water Fund – This fund is used to account for the water operations and maintenance activities of the City of Winters.

Sewer Fund – This fund is used to account for the sewer operations and maintenance activities of the City of Winters.

The Internal Service Fund accounts for financial transactions related to the City's billing and collections. These services are provided to other departments of the City on a cost reimbursement basis.

CITY OF WINTERS
Statement of Net Position
Proprietary Funds
June 30, 2013

	<u>Business-type Activities - Enterprise Funds</u>			<u>Governmental Activities</u>
	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Totals</u>	<u>Internal Service Fund</u>
ASSETS:				
CURRENT ASSETS:				
Cash and investments	\$ 1,053,145	\$ 1,221,136	\$ 2,274,281	\$ 28,544
Receivables, net				
Accounts receivable	135,551	170,572	306,123	125
Interest receivable	130	694	824	
Due from other funds		416,557	416,557	
Receivable due from successor agency trust fund	1,500,000		1,500,000	
Restricted cash and investments with fiscal agent	438,869	651,904	1,090,773	
TOTAL CURRENT ASSETS	<u>3,127,695</u>	<u>2,460,863</u>	<u>5,588,558</u>	<u>28,669</u>
NONCURRENT ASSETS:				
Non-depreciable capital assets	151,982	2,302,207	2,454,189	
Depreciable capital assets, net	3,526,509	2,969,110	6,495,619	
Deferred charges, net	151,509	166,079	317,588	
TOTAL NONCURRENT ASSETS	<u>3,830,000</u>	<u>5,437,396</u>	<u>9,267,396</u>	
TOTAL ASSETS	<u>6,957,695</u>	<u>7,898,259</u>	<u>14,855,954</u>	<u>28,669</u>
LIABILITIES:				
CURRENT LIABILITIES:				
Accounts payable	20,377	64,709	85,086	36,798
Interest payable	53,044	63,001	116,045	
Deposits payable	22,714	253,534	276,248	
Refundable deposits	1,950		1,950	
Compensated absences, due within one year	2,499	709	3,208	
Long-term debt, due within one year	90,000	105,000	195,000	
TOTAL CURRENT LIABILITIES	<u>190,584</u>	<u>486,953</u>	<u>677,537</u>	<u>36,798</u>
NONCURRENT LIABILITIES:				
Compensated absences, due after one year	22,499	6,380	28,879	
Long-term debt, due after one year	3,559,078	4,196,869	7,755,947	
TOTAL NONCURRENT LIABILITIES	<u>3,581,577</u>	<u>4,203,249</u>	<u>7,784,826</u>	
TOTAL LIABILITIES	<u>3,772,161</u>	<u>4,690,202</u>	<u>8,462,363</u>	<u>36,798</u>
NET POSITION:				
Net investment in capital assets	619,791	1,787,431	2,407,222	
Unrestricted	2,565,743	1,420,626	3,986,369	(8,129)
TOTAL NET POSITION	<u>\$ 3,185,534</u>	<u>\$ 3,208,057</u>	<u>\$ 6,393,591</u>	<u>\$ (8,129)</u>

The accompanying notes are an integral part of these basic financial statements.

CITY OF WINTERS
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Fiscal Year Ended 30, 2013

	<u>Business-type Activities - Enterprise Funds</u>			<u>Governmental Activities</u>
	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Totals</u>	<u>Internal Service Fund</u>
OPERATING REVENUES:				
Charges for services	\$ 1,252,965	\$ 1,563,029	\$ 2,815,994	\$ 605,505
Refunds and reimbursements		1,250	1,250	
Late fees	13,755		13,755	
TOTAL OPERATING REVENUES	<u>1,266,720</u>	<u>1,564,279</u>	<u>2,830,999</u>	<u>605,505</u>
OPERATING EXPENSES:				
Salaries and benefits	229,496	111,617	341,113	
Materials, supplies, and miscellaneous	24,559	183,470	208,029	52,134
Insurance				92,568
Administration	528,182	285,544	813,726	51,931
Fuels, lubricants, and maintenance	32,656	12,095	44,751	70,501
Contract services	27,399	437,793	465,192	282,573
Utilities	139,314	143,659	282,973	63,927
Bad debt	4,891		4,891	
Depreciation and amortization	103,262	125,891	229,153	
TOTAL OPERATING EXPENSES	<u>1,089,759</u>	<u>1,300,069</u>	<u>2,389,828</u>	<u>613,634</u>
OPERATING INCOME (LOSS)	<u>176,961</u>	<u>264,210</u>	<u>441,171</u>	<u>(8,129)</u>
NONOPERATING INCOME (EXPENSE):				
Interest expense	(159,599)	(190,652)	(350,251)	
Interest income	1,560	3,797	5,357	
TOTAL NON-OPERATING INCOME (EXPENSE)	<u>(158,039)</u>	<u>(186,855)</u>	<u>(344,894)</u>	
INCOME (LOSS) BEFORE TRANSFERS	<u>18,922</u>	<u>77,355</u>	<u>96,277</u>	<u>(8,129)</u>
TRANSFERS:				
Transfers out	(98,584)	(91,730)	(190,314)	
TOTAL TRANSFERS	<u>(98,584)</u>	<u>(91,730)</u>	<u>(190,314)</u>	
Changes in Net Position Before Capital Contributions	(79,662)	(14,375)	(94,037)	(8,129)
Capital contributions	229,309	281,577	510,886	
Changes in Net Position	149,647	267,202	416,849	(8,129)
Net Position, July 1, 2012	3,035,887	2,940,855	5,976,742	
Net Position (Deficit), June 30, 2013	<u>\$ 3,185,534</u>	<u>\$ 3,208,057</u>	<u>\$ 6,393,591</u>	<u>\$ (8,129)</u>

The accompanying notes are an integral part of these basic financial statements.

CITY OF WINTERS
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2013

	<u>Business-type Activities - Enterprise Funds</u>			<u>Governmental</u>
	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Totals</u>	<u>Activities Internal Service Fund</u>
CASH FLOW FROM OPERATING ACTIVITIES:				
Cash received from customers and users	\$ 1,295,822	\$ 1,628,209	\$ 2,924,031	\$ 605,380
Cash paid to suppliers for goods and services	(746,532)	(1,073,471)	(1,820,003)	(597,839)
Cash paid to employees and related benefits	(221,498)	(110,470)	(331,968)	
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>327,792</u>	<u>444,268</u>	<u>772,060</u>	<u>7,541</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES:				
Principal paid on debt	(85,000)	(100,000)	(185,000)	
Interest paid on debt	(160,534)	(191,752)	(352,286)	
Purchase of capital assets		(1,752,999)	(1,752,999)	
NET CASH PROVIDED (USED) BY CAPITAL FINANCING ACTIVITIES	<u>(245,534)</u>	<u>(2,044,751)</u>	<u>(2,290,285)</u>	
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Transfers out	(98,584)	(91,730)	(190,314)	
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	<u>(98,584)</u>	<u>(91,730)</u>	<u>(190,314)</u>	
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest received	1,955	3,721	5,676	
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>1,955</u>	<u>3,721</u>	<u>5,676</u>	
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(14,371)	(1,688,492)	(1,702,863)	7,541
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FISCAL YEAR	<u>1,506,385</u>	<u>3,561,532</u>	<u>5,067,917</u>	<u>21,003</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE FISCAL YEAR	<u>\$ 1,492,014</u>	<u>\$ 1,873,040</u>	<u>\$ 3,365,054</u>	<u>\$ 28,544</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS:				
Cash and investments	\$ 1,053,145	\$ 1,221,136	\$ 2,274,281	\$ 28,544
Restricted cash and investments with fiscal agent	438,869	651,904	1,090,773	
TOTAL CASH AND CASH EQUIVALENTS	<u>\$ 1,492,014</u>	<u>\$ 1,873,040</u>	<u>\$ 3,365,054</u>	<u>\$ 28,544</u>

(Continued)

The accompanying notes are an integral part of these basic financial statements.

CITY OF WINTERS
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2013
(Continued)

	<u>Business type Activities - Enterprise Funds</u>			<u>Governmental</u>
	<u>Water</u>	<u>Sewer</u>	<u>Totals</u>	<u>Internal</u>
	<u>Fund</u>	<u>Fund</u>		<u>Service</u>
				<u>Fund</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used)				
by Operating Activities:				
Operating income (loss)	\$ 176,961	\$ 264,210	\$ 441,171	\$ (8,129)
Adjustments to Reconcile Operating Income (Loss) to Net Cash				
Provided (Used) by Operating Activities:				
Depreciation and amortization	103,262	125,891	229,153	
(Increase) Decrease in Operating Assets:				
Accounts receivable	33,834	1,680	35,514	(125)
Increase (Decrease) in Operating Liabilities:				
Accounts payable	10,469	(10,910)	(441)	15,795
Deposits payable	(6,682)	62,250	55,568	
Refundable deposits	1,950		1,950	
Postemployment benefits payable	1,999	917	2,916	
Compensated absences	5,999	230	6,229	
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 327,792</u>	<u>\$ 444,268</u>	<u>\$ 772,060</u>	<u>\$ 7,541</u>
NONCASH INVESTING AND FINANCING ACTIVITIES:				
Capital contributions	\$ 229,309	\$ 281,577	\$ 510,886	\$ -

The accompanying notes are an integral part of these basic financial statements.

CITY OF WINTERS
Statement of Net Position
Fiduciary Funds
June 30, 2013

	Private-Purpose Trust Funds	Agency Funds
Assets:		
Cash and investments	\$ 1,278,274	\$ 140,557
Accounts receivable	204	
Interest receivable	6,674	89
Deferred charges	770,409	
Notes receivable	66,600	
Capital assets, net of accumulated depreciation	13,980,165	
TOTAL ASSETS	16,102,326	\$ 140,646
Liabilities:		
Accounts payable	1,867	\$ 8,597
Interest payable	236,413	
Due to other agencies		132,049
Long-term debt, due within one year	515,000	
Long-term debt, due in more than one year	18,387,723	
TOTAL LIABILITIES	19,141,003	\$ 140,646
Net Position (Deficit):		
Unrestricted	\$ (3,038,677)	

The accompanying notes are an integral part of these basic financial statements.

CITY OF WINTERS
Statement of Changes in Net Position
Fiduciary Funds
For the Fiscal Year Ended June 30, 2013

	Private-Purpose Trust Funds
Additions:	
Investment revenue	\$ 99,543
Taxes and assessments	1,097,497
Total additions	1,197,040
Deductions:	
Depreciation and amortization	304,107
Community development	271,320
Interest expense	775,521
Total deductions	1,350,948
Change in net position	(153,908)
Net Position (Deficit) - July 1, 2012	(2,884,769)
Net Position (Deficit) - June 30, 2013	\$ (3,038,677)

The accompanying notes are an integral part of these basic financial statements.

NOTE 1 – Summary of Significant Accounting Policies

A. Reporting Entity

The City of Winters was established in 1875 and incorporated in 1898 under the general laws of the State of California and enjoys all the rights and privileges pertaining to such "General Law" cities.

The City operates under a City Manager – Council form of government and provides the following services: public safety (Police and Fire), highways and streets, water, sewer, parks and recreation, public improvements, planning and zoning, and general administration. The voters of the City of Winters, California, give authority and responsibility for operations to the City Council. The five member City Council has the authority to employ administrative and support personnel to carry out its directives. The primary method used to monitor the performance of the City's management is the financial budget, which is adopted annually by the City Council.

As required by accounting principles generally accepted in the United States of America (USGAAP), these basic financial statements present the City of Winters (the primary government) and any component units.

B. Individual Component Unit Disclosures

Blended Component Units. There are no component units of the City which meet the criteria of a blended component unit.

Discretely Presented Component Units. There are no entities which meet the Governmental Accounting Standards Board (GASB) Statement No.14 as amended by GASB Statement No.39 and GASB Statement No. 61 criteria for discrete disclosure within these financial statements.

C. Accounting Policies

The accounting policies of the City conform to accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board and the American Institute of Certified Public Accountants (AICPA).

D. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e. the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

NOTE 1 – Summary of Significant Accounting Policies (Continued)

D. Government-wide and Fund Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

E. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the “economic resources” measurement focus and the accrual basis of accounting, as are the proprietary funds’ financial statements. The fiduciary funds’ financial statements are reported using the accrual basis of accounting but do not have a measurement focus. The “economic resources” measurement focus means that revenues are recorded when earned and expenses are recorded when the liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the fiscal year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental funds’ financial statements are reported using the “current financial resources” measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when the liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

Fiduciary fund financial statements include a statement of net position and statement of changes in net position. Trust funds are accounted for on an *economic resources* measurement focus and full accrual basis of accounting. Agency funds are custodial in nature and do not involve measurement of results of operations, however, they do use the full accrual basis of accounting to recognize assets and liabilities.

An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

NOTE 1 – Summary of Significant Accounting Policies (Continued)

E. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Total assets, liabilities, revenues or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and

Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The City reports the following major governmental funds:

General Fund – The General Fund is the City’s primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in other funds.

North Putah Creek Fund – This fund is used to account for federal funds to be used for the construction of an access trail for elderberry mitigation along a ¾ mile stretch of the north bank of Putah Creek. The multi-use, paved trail is fully ADA accessible and the project budget also includes plantings and maintenance. An add/alternative to the project could include a second pedestrian bridge at the east end of Putah Creek near Interstate 505. The major revenue source of this fund is intergovernmental grant revenue.

HOME-CHOC Special Revenue Fund – This fund accounts for gap financing for the 34 unit income restricted apartment complex developed by CHOC (Community Housing Opportunity Corporation). The major revenue source of this fund was intergovernmental grant revenue.

Housing Successor Special Revenue Fund – This fund accounts for the low and moderate income housing assets that were retained by the City when the Redevelopment Agency dissolved in fiscal year 2011/12. The major revenue source of this fund is use of money and property.

The City reports the following major proprietary funds:

The Water Enterprise Fund – This fund accounts for the operation and maintenance of the City’s water distribution system.

The Sewer Enterprise Fund – This fund accounts for the operation and maintenance of the City’s wastewater collection system including operating costs of the wastewater treatment facility.

Additionally, the City reports the following fund types:

The Internal Service Fund accounts for financial transactions related to the City’s billing and collections. These services are provided to other departments of the City on a cost reimbursement basis.

The Private-Purpose Trust Funds are used to account for assets held by the City as trustee for the Redevelopment Agency Successor Agency.

NOTE 1 – Summary of Significant Accounting Policies (Continued)

E. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

The Agency Funds are used to report resources held by the City in a purely custodial capacity, which involves only the receipt, temporary investment, and remittance of fiduciary resources to individuals, and private organizations. The four agency funds of the City are for the Library, Swim Team, Festival De La, and Quilt Festival. These funds are not included in the government-wide financial statements.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do no conflict with or contradict guidance of the Governmental Accounting Standards Board (GASB). For proprietary fund type activities, the City has elected to apply all applicable GASB pronouncements as well as any applicable pronouncements of the Financial Accounting Standards Board (FASB), the Accounting Principles Board (APB), or any Accounting Research Bulletins (ARB) issued on or before November 30, 1989, unless they contradict or conflict with GASB pronouncements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the government's proprietary funds functions and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Enterprise Funds are charges to customers for sales and services. Operating expenses for the Enterprise Funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

F. Assets, Liabilities, Net Position or Equity

Cash and Investments

In order to maximize the flexibility of its investment program and to aid in cash budgeting, the City pools the cash of all funds, except for monies deposited with fiscal agents in accordance with related bond indentures. The cash and investments balance in each fund represents that fund's equity share of the City's cash and investment pool. As the City places no restrictions on the deposit or withdrawal of a particular fund's equity in the pool, the pool operates like a demand deposit account for the participating funds.

NOTE 1 – Summary of Significant Accounting Policies (Continued)

F. Assets, Liabilities, Net Position or Equity (Continued)

Interest income earned on pooled cash and investments is allocated quarterly to the various funds based on month-end balances and is adjusted at fiscal year-end. Interest income on restricted cash and investments with fiscal agents is credited directly to the related fund.

The City's investments are carried at fair value. The fair value of equity and debt securities is determined based on sales prices or bid-and-asked quotations from SEC-registered securities exchanges or NASDAQ dealers. LAIF determines the fair value of its portfolio quarterly and reports a factor to the City; the City applies that factor to convert its share of LAIF from amortized cost to fair value. Changes in fair value are allocated to each participating fund.

For purposes of the statement of cash flows, the City has defined cash and cash equivalents to be change and petty cash funds, equity in the City's cash and investment pool, and restricted non-pooled investments with initial maturities of three months or less.

Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as interfund receivables/interfund payables (i.e., the current portion of interfund loans) or advances to/from other funds (the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as interfund receivables or interfund payables. Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as internal balances.

All trade and tax receivables are shown net of an allowance for uncollectible accounts if applicable, and estimated refunds due.

Property Taxes

Assessed values for purposes of property taxes are determined on an annual basis for the period July 1 to June 30 by the Yolo County Assessor as of January 1. Taxes are levied annually on July 1 and become a lien on real property at January 1. Taxes are due November 1 and February 1 and are delinquent if not paid by December 10 and April 10, respectively, at which time applicable penalties and interest are assessed. Unsecured taxes become delinquent if not paid by August 31.

Restricted Assets

Certain proceeds of the City's long-term debt, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net position because they are maintained in separate bank accounts and their use is limited by applicable bond covenants.

In the absence of specific statutory provisions governing the issuance of bonds, certificates, or leases, these bond monies may be invested in accordance with the ordinance; resolutions and indentures specifying the types of investments its trustees or fiscal agents may make. These ordinances, resolutions, and indentures are generally more restrictive than the City's general investment policy. In no instance have additional types of investments been authorized that are not permitted by the City's general investment policy.

NOTE 1 – Summary of Significant Accounting Policies (Continued)

F. Assets, Liabilities, Net Position or Equity (Continued)

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, sidewalks, street lights, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Such capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the capital asset or materially extend capital asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. No interest was capitalized during the fiscal year ended June 30, 2013.

Buildings and improvements are depreciated using the straight-line method over estimated useful lives of 50 years. Infrastructure is depreciated over 50 years using the straight-line method. Machinery and equipment is depreciated over 10 years, while vehicles are depreciated over 5 years.

The capitalization policy of the City is as follows:

<u>Type</u>	<u>Cost</u>
Infrastructure	\$ 200,000 or more
Utility Systems	\$ 200,000 or more
Vehicles, Equipment, and Machinery	\$ 5,000 or more
Improvements	\$ 5,000 or more
Land and Buildings	\$ 50,000 or more

Compensated Absences

A liability is calculated for all the costs of compensated absences based upon benefits earned by employees in the current period for which there is a probability of payment at termination. The salary and related payroll costs are those in effect at June 30, 2013. Accumulated unpaid vacation and sick pay are accrued when earned. The amounts accrued for financial statement purposes represent 100% of the vacation pay liability and a qualifying amount of the sick pay liability at June 30, 2013. The general fund and water and sewer funds have been typically used to liquidate prior fiscal years' liabilities for compensated absences.

Short-Term Obligations

The City has no short-term debt transactions to report for the fiscal year.

NOTE 1 – Summary of Significant Accounting Policies (Continued)

F. Assets, Liabilities, Net Position or Equity (Continued)

Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Initial-issue bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method (which approximates the effective interest method). Bond issuance costs, including deferred refunding amounts and underwriters' discount, are reported as deferred bond issuance costs. Amortization of bond premiums or discounts, issuance costs, and deferred amounts on refunding is included in interest expense.

In the fund financial statements, governmental fund types recognize bond premiums, discounts, and issuance costs during the period issued. The face amount of debt issued is reported as other financing sources. Premiums received are reported as other financing sources, while discounts are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Net Position

GASB Statement No. 63 adds the concept of net position, which is measured on the full accrual basis, to the concept of Fund Balance, which is measured on the modified accrual basis.

Net position is divided into three captions under GASB Statement No. 34 and 63. These captions apply only to net position as determined at the government-wide level, and are described below:

Net Investment in Capital Assets describes the portion of net position, which is represented by the current net book value of the City's capital assets, less the outstanding balance of any debt issued to finance these assets.

Restricted describes the portion of net position which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions which the City cannot unilaterally alter. These principally include capital projects, revolving loan programs, and other various grant programs.

Unrestricted describes the portion of net position which is not restricted as to use.

When both restricted and unrestricted net position are available, restricted resources are depleted first before the unrestricted resources are used.

NOTE 1 – Summary of Significant Accounting Policies (Continued)

F. Assets, Liabilities, Net Position or Equity (Continued)

Net Position (Continued)

At June 30, 2013, the City had recorded restricted net position in the Governmental Activities as follows:

Restricted for:	<u>Governmental Activities</u>
Income restricted housing	\$ 4,264,155
Capital projects	3,013,427
Revolving loans	1,273,008
Parks and street lighting	70,253
Flood control	3,827
Streets and roads	226,490
First time homebuyers program	84,411
Traffic safety	174,233
Asset forfeiture	13,210
Afterschool program	121,596
Vehicle theft	66,823
Transportation	286,832
Fire prevention	854
Public safety	16,874
Beverage recycling	25,036
Total Restricted	<u>\$ 9,641,029</u>

Included in total restricted net position at June 30, 2013 is net position restricted by enabling legislation of \$4,261,634.

Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable - The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of interfund loans.

Restricted - Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions or enabling legislation (City ordinances).

Enabling legislation authorizes the City to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the City can be compelled by an external party-such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for the purposes specified by the legislation.

NOTE 1 – Summary of Significant Accounting Policies (Continued)

F. Assets, Liabilities, Net Position or Equity (Continued)

Fund Balance (Continued)

Committed - The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (resolution) of City Council. Those committed amounts cannot be used for any other purpose unless City Council removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by City Council, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints are not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned - Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by the City Manager. The fund balance policy authorizing the assignment of fund balances was Resolution #2011-34.

Unassigned - Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The City applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available.

Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

CITY OF WINTERS
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2013

NOTE 1 – Summary of Significant Accounting Policies (Continued)

F. Assets, Liabilities, Net Position or Equity (Continued)

Fund Balance (Continued)

The constraints placed on fund balance for the major governmental funds and all other governmental funds at June 30, 2013 are as follows:

Fund Balances	General Fund	North Putah Creek Fund	Housing Successor Special Revenue Fund	Nonmajor Governmental Funds	Total
Nonspendable:					
Long-term receivable from successor agency trust fund	\$ 457,821	\$ -	\$ -	\$ -	\$ 457,821
<i>Total Nonspendable</i>	457,821				457,821
Restricted for:					
Parks and Street Lighting				70,253	70,253
Flood Control				3,827	3,827
Streets and Roads				226,490	226,490
First Time Homebuyers Program				84,411	84,411
Traffic Safety				174,233	174,233
Asset Forfeiture				13,210	13,210
Afterschool Program				121,596	121,596
Vehicle Theft				66,823	66,823
Transportation				286,832	286,832
Fire Prevention				854	854
Public Safety				16,874	16,874
Beverage Recycling				25,036	25,036
Revolving Loans				489,097	489,097
Income Restricted Housing			1,051,137		1,051,137
Capital Projects		149,231		2,847,396	2,996,627
<i>Total Restricted</i>		149,231	1,051,137	4,426,932	5,627,300
Committed for:					
Capital Projects				1,078,260	1,078,260
<i>Total Committed</i>				1,078,260	1,078,260
Assigned for:					
Debt Service				56,140	56,140
<i>Total Assigned</i>				56,140	56,140
Unassigned	2,064,941			(843,813)	1,221,128
<i>Total Fund Balances</i>	\$ 2,522,762	\$ 149,231	\$ 1,051,137	\$ 4,717,519	\$ 8,440,649

G. Estimates

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

NOTE 1 – Summary of Significant Accounting Policies (Continued)

H. Allowance for Uncollectible Utility Accounts

The City has not established a provision for uncollectible accounts receivables, which are recorded in the Enterprise Funds, as all delinquent accounts are submitted to Yolo County for inclusion as additions to the tax rolls and are considered fully collectible. The City exercises an aggressive collection procedure on delinquent accounts throughout the year, prior to any accounts being sent to Yolo County.

I. Budgets and Budgetary Accounting

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

- (1) Prior to June 30, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
- (2) Public meetings are conducted to obtain taxpayer comments.
- (3) Prior to July 1, the budget is legally approved by the City Council.
- (4) The City Manager is authorized to transfer budgeted amounts between line items within any department and budget amounts between departments; however, City Council is authorized to transfer budgeted amounts between funds and any revisions which alter total expenditures of the City.
- (5) Formal budgetary integration is employed as a management control device during the year for all funds.
- (6) Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. All unexpended appropriations lapse at the end of the fiscal year. There were no budgets prepared for the HOME-CHOC Special Revenue Fund, Housing Successor Special Revenue Fund, First 5 Grant Special Revenue Fund, Realignment Special Revenue Fund, EECEBG Grant Special Revenue Fund, Communication Tower Grant Special Revenue Fund, Homeland Security Grant Special Revenue Fund, Green House Gas Verification Special Revenue Fund, CDBG Park Grant Special Revenue Fund, Distracted Driver Grant Special Revenue Fund, SACOG Community Grant Special Revenue Fund, Volunteer Fire Assistance Grant Special Revenue Fund, HOME 98-347 Grant Special Revenue Fund, STBG 6745 Grant Special Revenue Fund, Housing Rehabilitation RLF Special Revenue Fund, First Time Homebuyers RLF Special Revenue Fund, and Flood Control Fees Capital Projects Fund.

NOTE 1 – Summary of Significant Accounting Policies (Continued)

J. New Accounting Pronouncements

The City has implemented the requirements of Governmental Accounting Standards Board (GASB) Statement No. 60, 61, 62, and 63 during the fiscal year ended June 30, 2013.

Governmental Accounting Standards Board Statement No. 60

Statement No. 60, “Accounting and Financial Reporting for Service Concession Arrangements.” This Statement is effective for periods beginning after December 15, 2011. The objective of this Statement is to improve financial reporting by addressing issues related to Service Concession Arrangements. This Statement improves consistency in reporting and enhances the comparability of the accounting and financial reporting of Service Concession Arrangements among state and local governments. Implementation of the GASB Statement No. 60, did not have an impact on the City’s financial statements for the fiscal year ended June 30, 2013.

Governmental Accounting Standards Board Statement No. 61

For the fiscal year ended June 30, 2013, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 61 “The Financial Reporting Entity: Omnibus.” This statement is effective for periods beginning after June 15, 2012. The objective of this Statement is to improve financial reporting for component units. The Statement modifies certain requirements for inclusion of component units in the financial reporting entity and clarifies the reporting of equity interests in legally separate organizations. Implementation of the GASB Statement No. 61, did not have an impact on the City’s financial statements for the fiscal year ended June 30, 2013.

Governmental Accounting Standards Board Statement No. 62

For the fiscal year ended June 30, 2013, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 62 “Codification of Accounting and Financial Reporting Guidance Contained in *Pre*-November 30, 1989 FASB and AICPA Pronouncements.” This Statement is effective for periods beginning after December 15, 2011. The objective of this Statement is to incorporate into the GASB’s authoritative literature certain accounting and financial reporting guidance that is included in the FASB and AICPA pronouncements issued on or before November 30, 1989. This Statement specifically identifies and consolidates the accounting and financial reporting provisions that apply to state and local governments. Implementation of the GASB Statement No. 62, did not have an impact on the City’s financial statements for the fiscal year ended June 30, 2013.

Governmental Accounting Standards Board Statement No. 63

For the fiscal year ended June 30, 2013, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 63, “Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position.” This Statement is effective for periods beginning after December 15, 2011. The objective of this Statement is to establish guidance for reporting deferred outflows or resources, deferred inflows of resources, and net position in a statement of financial position. This Statement sets forth framework that specifies where deferred outflows of resources and deferred inflows of resources, as well as assets and liabilities should be displayed. This Statement also specifies how net position, no longer referred to as net position, should be displayed. Implementation of the Statement and the impact on the City’s financial statements are explained in Note 1 F – Net Position.

CITY OF WINTERS
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2013

NOTE 2 – Stewardship, Compliance, and Accountability

Deficit Fund Balances/Net Position

As of June 30, 2013 the following funds had a deficit fund balance:

Nonmajor Special Revenue Funds:	
State COPS 1913 Fund	\$ 59,908
Prop 84 Park Fund	116,322
Dry Slough Fund	9,282
CDBG Park Grant Fund	261
Volunteer Fire Assistance Grant Fund	11,701
STBG 96-1043 Grant Fund	29,070
STBG 6745 Grant Fund	60,295
Nonmajor Capital Projects Fund:	
Flood Control Study Fund	123,704
Parks and Recreation Fund	233,565
Sewer Fund	199,705

It is the City's expectations that future revenues will alleviate these fund balance deficits.

Excess of Expenditures Over Appropriations

Excess of expenditures over appropriations in individual funds are as follows:

<u>Fund</u>	<u>Excess Expenditures</u>
Major Funds:	
General Fund	
General government	\$ 71,012
Public work	5,496
Community development	96,276
Parks and recreation	11,203
Capital outlay	12,806
North Putah Creek Fund	
General government	262
Capital outlay	838,303
Nonmajor Special Revenue Funds:	
City Wide Assessment Fund	14,729
Gas Tax Fund	9,663
Traffic Safety Fund	1,155
Afterschool Program Fund	18,641
Transportation Development Act Fund	32,933
Dry Slough Fund	22,938
Nonmajor Capital Projects Funds:	
Monitoring Impact Fees Fund	1,211
Street Impact Fees Fund	5,204
Storm Drain Impact Fees Fund	5,204
Parks and Recreation Impact Fees Fund	615,522
Police Impact Fees Fund	11,797
Fire Impact Fees Fund	12,046
General Facilities Impact Fees Fund	5,204
Water Impact Fees Fund	5,383
Sewer Impact Fees Fund	5,204

NOTE 3 – Reconciliation of Government-wide and Governmental Funds Financial Statements

1. Explanation of certain differences between the governmental funds balance sheet and the government-wide statement of net position

The governmental funds balance sheet includes a reconciliation between fund balances-total governmental funds and net position-governmental activities as reported in the government-wide statement of net position.

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The capital assets reported in the *Statement of Net Position* are as follows:

Land	\$ 478,080
Construction in progress	<u>557,341</u>
Capital Assets not being depreciated	<u><u>\$ 1,035,421</u></u>
Buildings and improvements	\$ 3,443,932
Vehicles and equipment	1,816,251
Infrastructure	8,719,373
Less: accumulated depreciation	<u>(4,205,197)</u>
Capital assets, net of accumulated depreciation	<u><u>\$ 9,774,359</u></u>

Notes and loans receivable are not available to pay for current period expenditures and, therefore are offset by unearned revenue in the fund financial statements. The unearned notes and loans receivable are as follows:

Notes and loans receivable	<u><u>\$ 4,555,172</u></u>
----------------------------	----------------------------

2. Explanation of certain differences between the governmental funds statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities

The governmental funds statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and *changes in net position* of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The details of this difference are as follows:

Capital outlay capitalized for fiscal year	\$ 2,486,844
Current fiscal year depreciation	(364,441)
Contribution of capital assets to business-type activities	<u>(510,886)</u>
	<u><u>\$ 1,611,517</u></u>

NOTE 3 – Reconciliation of Government-wide and Governmental Funds Financial Statements (Continued)

2. Explanation of certain differences between the governmental funds statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities (Continued)

Another element of that reconciliation states that “the issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds”. The details of this adjustment are as follows:

Change in CalPERS side fund	\$ 137,505
Change in postemployment benefits	(11,294)
Change in compensated absences	(28,322)
	<u>\$ 97,889</u>

NOTE 4 – Cash and Investments

Statement of Net Position:	
Cash and investments	\$ 8,117,082
Restricted cash and investments	2,231,333
Statement of Fiduciary Funds Net Position:	
Cash and investments	<u>1,418,831</u>
Total	<u>\$ 11,767,246</u>

Cash and investments as of June 30, 2013 consist of the following:

Cash on hand	\$ 640
Deposits with financial institutions	2,321,302
Investments	<u>9,445,304</u>
Total	<u>\$ 11,767,246</u>

Investments Authorized by the California Government Code and the City’s Investment Policy

The table below identifies the investment types that are authorized for the City of Winters by the California Government Code (or the City’s investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the City’s investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustee that are governed by the provisions of debt agreements of the City, rather than the general provisions of the California Government Code or the City’s investment policy.

NOTE 4 – Cash and Investments (Continued)

Investments Authorized by the California Government Code and the City’s Investment Policy (Continued)

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Agency Investment Fund (State Pool)	N/A	\$50 million	\$50 million
U.S. Treasury Obligations	5 years	None	None
U.S. Government Agency Issues	5 years	None	None
Insured Deposits with Banks and Savings and Loans	N/A	None	15%
Repurchase Agreements	90 days	None	15%
Bankers' Acceptance (must be dollar denominated)	6 months	30%	15%
Commercial Paper	6 months	25%	15%
Negotiable Time Certificates of Deposit	5 years	30%	15%
Medium Term Corporate Notes	5 years	30%	15%
Money Market Funds	N/A	15%	15%
Non-negotiable Time Deposits	5 years	25%	15%

Per the City’s investment policy, if special circumstances arise that necessitate the purchase of securities beyond the five year limitation, the requests must be approved by the Council prior to purchase.

Investments Authorized by Debt Agreements

Investment of debt proceeds held by bond trustees are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the City’s investment policy. The table below identifies the investment types that are authorized for investments held by bond trustee. The table also identifies certain provisions of these debt agreements that address interest rate risk, credit risk, and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Bankers' Acceptances	180 days	30%	30%
Commercial Paper	180 days	15%	None
Money Market Funds	N/A	None	None
Guaranteed Investment Contracts	5 years	None	None
Certificates of Deposit	1 year	30%	None
Medium Term Corporate Notes	5 years	15%	None

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the City manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flows and liquidity needed for operations.

NOTE 4 – Cash and Investments (Continued)

Disclosures Relating to Interest Rate Risk (Continued)

Information about the sensitivity of the fair values of the City’s investments (including investments held by bond trustees) to market interest rate fluctuations is provided by the following table that shows the distribution of the City’s investments by maturity:

Investment Type	Totals	Remaining Maturity (in Months)					
		12 Months Or Less	13 to 24 Months	25-36 Months	37-48 Months	49-60 Months	More Than 60 Months
State Investment Pool	\$ 7,689,832	\$ 7,689,832	\$ -	\$ -	\$ -	\$ -	\$ -
Money Market Funds	5,481	5,481					
Held by bond trustees:							
Money Market Funds	1,240,001	1,240,001					
Investment Contract	509,990	9,990	500,000				
	<u>\$ 9,445,304</u>	<u>\$ 8,945,304</u>	<u>\$ 500,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Investments with Fair Values Highly Sensitive to Interest Rate Fluctuations

The City’s investments (including investments held by bond trustees) do not include any investments that are highly sensitive to interest rate fluctuations.

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code, the City’s investment policy, or debt agreements, and the actual rating as of fiscal year end for each investment type.

Investment Type	Amount	Minimum Legal Rating	Exempt From Disclosure	Rating as of Fiscal Year End			
				AAA	AA	A	Not Rated
State Investment Pool	\$ 7,689,832	N/A	\$ -	\$ -	\$ -	\$ -	\$ 7,689,832
Money Market Funds	5,481	N/A					5,481
Held by bond trustees:							
Money Market Funds	1,240,001	N/A		1,090,770			149,231
Investment Contract	509,990	N/A		9,990		500,000	
Total	<u>\$ 9,445,304</u>		<u>\$ -</u>	<u>\$ 1,100,760</u>	<u>\$ -</u>	<u>\$ 500,000</u>	<u>\$ 7,844,544</u>

Concentration of Credit Risk

The investment policy of the City contains limitations on the amount that can be invested in any one issuer. There are no investments (other than the State Investment Pool and money market funds) that represent 5% or more of total City investments.

NOTE 4 – Cash and Investments (Continued)

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits. The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

As of June 30, 2013, the City's deposits (bank balances) were insured by the Federal Depository Insurance Corporation or collateralized as required under California Law.

Investment in State Investment Pool

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the City's investment in this pool is reported in the accompanying financial statements at amounts based upon the City's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. The LAIF fair value factor of 1.000273207 was used to calculate the fair value of the investment in LAIF as of June 30, 2013.

CITY OF WINTERS
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2013

NOTE 5 – Notes Receivable

Notes receivable from mortgage loans for housing and commercial property rehabilitation and construction:	<u>Amount</u>
HOME-CHOC Special Revenue Fund	\$ 2,843,180
Housing Successor Special Revenue Fund	369,838
HOME 98-347 Special Revenue Fund	127,146
EDBG 99-688 Special Revenue Fund	138,456
EDBG 96-405 Special Revenue Fund	257,257
Housing Rehabilitation RLF Special Revenue Fund	94,350
HOME Program RLF Special Revenue Fund	277,043
First Time Homebuyer RLF Special Revenue Fund	346,561
Small Business RLF Special Revenue Fund	<u>65,957</u>
Total housing and property rehabilitation and construction notes receivable	<u>4,519,788</u>
Notes receivable for building permits:	
General Fund	18,584
Park and Recreation Impact Fees Capital Projects Fund	4,159
Police Impact Fees Capital Projects Fund	3,567
Fire Impact Fees Capital Projects Fund	3,567
General Facilities Impact Fees Capital Projects Fund	1,463
General Plan 1992 Capital Projects Fund	<u>4,044</u>
Total building permits notes receivable	<u>35,384</u>
Total notes receivable	<u>\$ 4,555,172</u>

NOTE 6 – Interfund Transactions

A. Current Interfund Balances

Current interfund balances arise in the normal course of business, are usually a result of a shortfall of pooled cash, and are expected to be repaid shortly after the end of the fiscal year. The following presents a summary of current interfund balances at June 30, 2013.

<u>Receivable Fund</u>	<u>Amount</u>	<u>Payable Fund</u>	<u>Amount</u>
Major Fund:		Major Fund:	
General Fund	\$ 1,193,418	Housing Successor Fund	\$ 217,333
Nonmajor Funds:		Nonmajor Funds:	
Housing Rehabilitation RLF Fund	11,643	City Wide Assessment Fund	
First Time Homebuyers RLF Fund	17,427	State COPS 1913 Fund	59,908
Major Enterprise Fund:		Prop 84 Park Fund	116,322
Sewer Fund	<u>416,557</u>	Dry Slough Fund	28,202
Totals	<u>\$ 1,639,045</u>	CDBG Park Grant Fund	261
		Distracted Driver Grant Fund	4,403
		Volunteer Fire Assistance Grant Fund	7,830
		STBG 96-1043 Fund	29,070
		STBG - 6745 Fund	36,662
		General Plan 92 Fund	488,932
		Parks and Recreation Fund	233,565
		Sewer Impact Fees Fund	<u>416,557</u>
		Totals	<u>\$ 1,639,045</u>

NOTE 6 – Interfund Transactions (Continued)

B. Long-term Interfund Advances

At June 30, 2013, the funds below have made/received an advance that was not expected to be repaid within one year. This advance was for a flood solution study for North Winters (\$125,000).

<u>Receivable Fund</u>	<u>Amount</u>	<u>Payable Fund</u>	<u>Amount</u>
Nonmajor Funds:		Nonmajor Fund:	
Street Impact Fees Fund	\$ 95,000	Flood Control Study Fund	\$ 125,000
Storm Drain Impact Fees Fund	<u>30,000</u>		
Totals	<u>\$ 125,000</u>	Totals	<u>\$ 125,000</u>

C. Transfers Between Funds

With Council approval, resources may be transferred from one City fund to another. The purpose of the majority of transfers is to reimburse a fund that has made an expenditure on behalf of another fund, less often, a transfer may be made to open or close a fund.

<u>Funds</u>	<u>Transfers In</u>	<u>Transfers Out</u>
Major Funds:		
General Fund	\$ 311,386	\$ 92,802
North Putah Creek Fund	622,236	
Major Enterprise Funds:		
Water Fund		98,584
Sewer Fund		91,730
Nonmajor Funds:		
City Wide Assessment Fund	72,934	
Transportation Development Act Fund		285
Community Design Pedestrian Grant Fund	285	
EDBG 99-688 Fund		17,404
EDBG 96-405 Fund		18,770
Housing Rehabilitation RLF Fund		28,837
First Time Homebuyers RLF Fund		64,241
Small Business RLF Fund	28,048	
General Plan 92 Fund	1,211	
Parks and Recreation Capital Fund		6,714
Monitoring Fee Fund		1,211
Parks and Recreation Impact Fees Fund		615,522
	<u>\$ 1,036,100</u>	<u>\$ 1,036,100</u>

CITY OF WINTERS
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2013

NOTE 7 – Capital Assets

A. Governmental Activities

Capital assets governmental activity for the fiscal year ended June 30, 2013, was as follows:

	Balance at July 1, 2012	Additions	Deletions	Transfers	Balance at June 30, 2013
Capital Assets, not being depreciated:					
Land	\$ 932,613	\$ -	\$ (454,533)	\$ -	\$ 478,080
Construction in progress	1,347,551	1,842,583		(2,632,793)	557,341
Total	<u>2,280,164</u>	<u>1,842,583</u>	<u>(454,533)</u>	<u>(2,632,793)</u>	<u>1,035,421</u>
Capital Assets, being depreciated:					
Buildings and improvements	3,443,932				3,443,932
Vehicles and equipment	1,816,251				1,816,251
Infrastructure	5,953,205	133,375		2,632,793	8,719,373
Total	<u>11,213,388</u>	<u>133,375</u>		<u>2,632,793</u>	<u>13,979,556</u>
Less accumulated depreciation for:					
Buildings and improvements	(1,714,509)	(88,802)			(1,803,311)
Vehicles and equipment	(1,580,286)	(72,290)			(1,652,576)
Infrastructure	(545,961)	(203,349)			(749,310)
Total	<u>(3,840,756)</u>	<u>(364,441)</u>			<u>(4,205,197)</u>
Total, net of accumulated depreciation	<u>7,372,632</u>	<u>(231,066)</u>		<u>2,632,793</u>	<u>9,774,359</u>
Total Capital Assets, Net	<u>\$ 9,652,796</u>	<u>\$ 1,611,517</u>	<u>\$ (454,533)</u>	<u>\$ -</u>	<u>\$ 10,809,780</u>

Depreciation expense was charged to functions/programs of the City's governmental activities as follows:

General government	\$ 29,520
Public safety	119,901
Public works	12,027
Parks and recreation	74,710
Streets and highways	117,350
Community development	10,933
Total	<u>\$ 364,441</u>

CITY OF WINTERS
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2013

NOTE 7 – Capital Assets (Continued)

B. Business-type activities

Capital assets business-type activity for the fiscal year ended June 30, 2013 was as follows:

	Balance at July 1, 2012	Additions	Deletions	Transfers	Balance at June 30, 2013
Water Fund:					
Capital assets, not being depreciated:					
Land	\$ 1,650,000	\$ -	\$ (1,500,000)	\$ -	\$ 150,000
Construction in progress	69,445	229,309		(296,772)	1,982
Total	<u>1,719,445</u>	<u>229,309</u>	<u>(1,500,000)</u>	<u>(296,772)</u>	<u>151,982</u>
Capital assets, being depreciated:					
Water pipes	10,786,163			296,772	11,082,935
Machinery and equipment	380,861				380,861
Infrastructure	126,790				126,790
Total	<u>11,293,814</u>			<u>296,772</u>	<u>11,590,586</u>
Less accumulated depreciation for:					
Water pipes	(7,718,481)	(69,711)			(7,788,192)
Machinery and equipment	(230,846)	(24,753)			(255,599)
Infrastructure	(17,750)	(2,536)			(20,286)
Total	<u>(7,967,077)</u>	<u>(97,000)</u>			<u>(8,064,077)</u>
Total net of accumulated depreciation	<u>3,326,737</u>	<u>(97,000)</u>		<u>296,772</u>	<u>3,526,509</u>
Water Fund Capital Assets, net	<u>\$ 5,046,182</u>	<u>\$ 132,309</u>	<u>\$ (1,500,000)</u>	<u>\$ -</u>	<u>\$ 3,678,491</u>
	Balance at July 1, 2012	Additions	Deletions	Transfers	Balance at June 30, 2013
Sewer Fund:					
Capital assets, not being depreciated:					
Land	\$ 532,979	\$ -	\$ -	\$ -	\$ 532,979
Construction in progress	390,819	2,034,576		(656,167)	1,769,228
Total	<u>923,798</u>	<u>2,034,576</u>		<u>(656,167)</u>	<u>2,302,207</u>
Capital assets, being depreciated:					
Infrastructure	300,716				300,716
Sewer plant and pipes	7,273,906			442,984	7,716,890
Machinery and equipment	1,104,071			213,183	1,317,254
Total	<u>8,678,693</u>			<u>656,167</u>	<u>9,334,860</u>
Less accumulated depreciation for:					
Infrastructure	(46,963)	(6,014)			(52,977)
Sewer plant and pipes	(5,682,083)	(43,502)			(5,725,585)
Machinery and equipment	(517,677)	(69,511)			(587,188)
Total	<u>(6,246,723)</u>	<u>(119,027)</u>			<u>(6,365,750)</u>
Total net of accumulated depreciation	<u>2,431,970</u>	<u>(119,027)</u>		<u>656,167</u>	<u>2,969,110</u>
Sewer Fund Capital Assets, net	<u>\$ 3,355,768</u>	<u>\$ 1,915,549</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,271,317</u>
Total Business-type Capital Assets, net	<u>\$ 8,401,950</u>	<u>\$ 2,047,858</u>	<u>\$ (1,500,000)</u>	<u>\$ -</u>	<u>\$ 8,949,808</u>

Depreciation expense was charged to functions/programs of the City's business-type activities as follows:

Business-Type Activities:	
Water	\$ 97,000
Sewer	119,027
Total	<u>\$ 216,027</u>

CITY OF WINTERS
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2013

NOTE 8 – Long-term Liabilities

The following is a summary of changes in the City’s long-term liabilities for the fiscal year ended June 30, 2013:

	Balance at July 1, 2012	Additions	Repayments	Prior period Adjustments	Balance at June 30, 2013	Due Within One Year
Governmental Activities:						
Compensated absences	\$ 383,451	\$ 131,265	\$ (102,943)	\$ -	\$ 411,773	\$ 102,943
Postemployment benefits	11,742	17,789	(6,495)		23,036	
CalPERS side fund liabilities			(74,732)	1,010,272	935,540	
Total	\$ 395,193	\$ 149,054	\$ (184,170)	\$ 1,010,272	\$ 1,370,349	\$ 102,943
Business-type Activities:						
Water Fund:						
Compensated absences	\$ 18,999	\$ 11,657	\$ (5,658)	\$ -	\$ 24,998	\$ 2,499
Water revenue bonds	3,730,000		(85,000)		3,645,000	90,000
Postemployment benefits	2,079	3,149	(1,150)		4,078	
Sewer Fund:						
Compensated absences	6,859	7,052	(6,822)		7,089	709
Sewer revenue bonds	4,400,000		(100,000)		4,300,000	105,000
Postemployment benefits	952	1,444	(527)		1,869	
Total	\$ 8,158,889	\$ 23,302	\$ (199,157)	\$ -	\$ 7,983,034	\$ 198,208

Governmental Activities – CalPERS Side Fund

During the 2005-06 fiscal year, the City was required to participate in the Public Employees Retirement System (PERS) risk pool. As a result, a side fund was created to account for the difference between the funded status of the pool and the funded status of the City’s plan, in addition to the existing unfunded liability. The outstanding balance at June 30, 2013 was \$935,540.

Business Type Activities – Revenue Bonds Payable

Water Revenue Bonds – Series 2007

On September 10, 2007, the Public Finance Authority issued \$3,810,000 of Revenue Bonds bearing interest between 3.25% and 4.75% and payable semi-annually on March 1 and September 1. These bonds will provide funds to aid in the financing certain costs relating to capital improvements of the City’s waterworks system, fund capitalized interest on the 2007 Water bonds, fund a debt service reserve account for the 2007 Water bonds, and pay costs of issuance of the 2007 Water bonds. The Bonds are special obligations of the City and are payable as to principal, interest and any premiums upon redemption at any time exclusively from the pledged revenues of the City. The outstanding principal balance of the 2007 Water bonds at June 30, 2013, is \$3,645,000.

NOTE 8 – Long-term Liabilities (Continued)

Business Type Activities – Revenue Bonds Payable (Continued)

The scheduled annual minimum debt service requirements at June 30, 2013, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2014	\$ 90,000	\$ 157,646	\$ 247,646
2015	90,000	154,643	244,643
2016	95,000	151,509	246,509
2017	95,000	148,231	243,231
2018	100,000	144,756	244,756
2019-2023	560,000	662,247	1,222,247
2024-2028	685,000	535,107	1,220,107
2029-2033	855,000	360,407	1,215,407
2034-2038	1,075,000	132,405	1,207,405
Totals	<u>\$ 3,645,000</u>	<u>\$ 2,446,951</u>	<u>\$ 6,091,951</u>

Sewer Revenue Bonds – Series 2007

On September 10, 2007, the Public Finance Authority issued \$4,495,000 of Revenue Bonds bearing interest between 3.25% and 4.75% and payable semi-annually on March 1 and September 1. These bonds will provide funds to aid in the financing certain costs relating to capital improvements of the City’s wastewater and sewer system, fund capitalized interest on the 2007 Sewer bonds, fund a debt service reserve account for the 2007 Sewer bonds, and pay costs of issuance of the 2007 Sewer bonds. The Bonds are special obligations of the City and are payable as to principal, interest and any premiums upon redemption at any time exclusively from the pledged revenues of the City. The outstanding principal balance of the 2007 Sewer bonds at June 30, 2013, is \$4,300,000.

The scheduled annual minimum debt service requirements at June 30, 2013, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2014	\$ 105,000	\$ 187,270	\$ 292,270
2015	105,000	183,766	288,766
2016	110,000	180,124	290,124
2017	115,000	176,241	291,241
2018	120,000	172,054	292,054
2019-2023	650,000	788,820	1,438,820
2024-2028	810,000	637,067	1,447,067
2029-2033	1,010,000	426,789	1,436,789
2034-2037	1,275,000	157,107	1,432,107
Totals	<u>\$ 4,300,000</u>	<u>\$ 2,909,238</u>	<u>\$ 7,209,238</u>

NOTE 9 – Post Retirement Health Insurance Benefits

Plan Description

The City provides certain health insurance benefits to retired employees in accordance with memoranda of understanding as follows:

For employees who retire from the City and who have reached the age of fifty (50) years old, and who continue health insurance through a City-sponsored health insurance plan, the City will contribute the minimum monthly amount (as required by CalPERS) of the health insurance premium (\$112 and \$115 for the calendar years 2012 and 2013 respectively).

Funding Policy

The City’s policy is to contribute an amount sufficient to pay the current year’s premium. For fiscal year 2012-13, the City contributed \$8,172, which covered current premiums, but did not include any additional prefunding of benefits. Currently, there are 6 retirees who are receiving benefits.

Annual OPEB and Net OPEB Obligation

The City’s annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45’s Alternative Measurement Method allowed for employers with less than 100 plan members. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the City’s annual OPEB cost for the fiscal year, the amount actually contributed to the plan, and changes in the City’s net OPEB obligation.

Annual required contribution	\$ 22,693
Interest on net OPEB obligation	443
Net OPEB adjustment	(754)
Annual OPEB cost (expense)	<u>22,382</u>
Contributions made	<u>(8,172)</u>
Increase in net OPEB obligation	14,210
Net OPEB obligation - beginning of fiscal year	14,773
Net OPEB obligation - end of fiscal year	<u><u>\$ 28,983</u></u>

The net OPEB obligation of \$28,983 was allocated \$23,036 to governmental activities and \$5,947 to business-type activities (\$4,078 to water fund and \$1,869 to sewer fund).

The City’s annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal years 2011-12 and 2012-13 were as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contribution	OPEB Obligation (Asset)
6/30/2012	\$ 22,693	35%	\$ 14,773
6/30/2013	22,382	36%	28,983

NOTE 9 – Post Retirement Health Insurance Benefits (Continued)

Funded Status and Funding Progress

As of June 30, 2012, the most recent Alternate Measurement Method valuation date, the plan was zero percent funded. The actuarial accrued liability for benefits was \$680,779, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$680,779. The covered payroll (annual payroll of active employees covered by the plan) was \$2,141,140, and the ratio of the UAAL to the covered payroll was 31.8 percent.

The Alternate Measurement Method valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The Alternate Measurement Method valuation (valuation) methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the June 30, 2012 actuarial valuation the entry age normal cost method was used. The actuarial assumptions included a 3.0 percent investment rate of return, a 75 percent continuity rate that retirees will continue to participate in CalPERS health, an inflation rate of 2.0 percent, and an annual healthcare cost trend rate of 2.0 percent. The actuarial value of assets is not applicable (no assets as of the initial valuation date). The UAAL is being amortized as a flat percentage of covered payroll over thirty years. The remaining amortization period at June 30, 2013 was thirty years. The City uses an open amortization period.

NOTE 10 – City Employees Retirement Plan (Defined Benefit Pension Plan)

Plan Description

The City of Winters contributes to the California Public Employees Retirement System (PERS), a cost-sharing multiple-employer public employee defined benefit pension plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. PERS acts as a common investment and administrative agent for participating public entities within the state of California. Copies of PERS' annual financial report may be obtained from its executive office: 400 P Street, Sacramento, California 95814.

NOTE 10 – City Employees Retirement Plan (Defined Benefit Pension Plan) (Continued)

Funding Policy - Miscellaneous

Participants are required to contribute 7% of their annual covered salary. The City is required to contribute at an actuarially determined rate calculated as a percentage of covered payroll. The employer contribution rate for the fiscal year ended June 30, 2013 was 15.144% for miscellaneous employees. Benefit provisions and all other requirements are established by State statute and City contract with employee bargaining groups. The City's contributions to CalPERS for the miscellaneous plan for the fiscal years ending June 30, 2013, 2012, and 2011, were \$194,388, \$183,248, and \$182,113, respectively, and equal 100% of the required contributions for each fiscal year.

Funding Policy – Safety

Participants are required to contribute 9% of their annual covered salary. The City is required to contribute at an actuarially determined rate calculated as a percentage of covered payroll. The employer has a two-tiered contribution rate for the fiscal year ended June 30, 2013 were 30.285% for tier1 and 19.204% for tier 2. Benefit provisions and all other requirements are established by State statute and City contract with employee bargaining groups. The City's contributions to CalPERS for the safety plan for the fiscal years ending June 30, 2013, 2012, and 2011, were \$265,063, \$246,429, and \$200,155, respectively, and equal 100% of the required contributions for each fiscal year.

NOTE 11 – Deferred Compensation Plan

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The Plan, available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts and all income attributable to those amounts, property, or rights are (until paid or made available to the employees or other beneficiary) solely the property and rights of the employees. Accordingly, the plan/trust assets have been excluded from the City's reported assets.

NOTE 12 – Joint Venture (Joint Powers Agreement)

The City participates in a joint venture under a joint powers agreement (JPA). The relationship between the City of Winters and the JPA is such that the JPA is not a component unit of the City for financial reporting purposes.

Winters Fire Protection District – Fire Protection is provided by an intergovernmental agreement between the City of Winters and the Winters Fire Protection District (District). The agreement transferred all fire protection property of the City to the District. The District Board consists of five members – two appointed by City Council, two appointed by County Board of Supervisors, and one appointed by the other 4 members. The District appoints its own management and approves its own budget.

NOTE 13 – Risk Management (Joint Powers Agreement)

A. Yolo County Public Agency Risk Management Insurance Authority

The City is a member of the Yolo County Public Agency Risk Management Insurance Authority, a joint-powers agreement which provides coverage against the following types of loss risks:

<u>Type of Coverage (Deductible)</u>	<u>Coverage Limits</u>
Liability (\$2,000, except for errors & omissions, which is \$15,000 with a limit of \$500,000)	\$ 25,000,000
Auto - Physical damage (\$5,000 for all vehicles)	up to stated value
Worker's compensation (\$1,000)	\$ 5,000,000
All risk fire & property (various up to \$10,000)	replacement costs
Boiler & machinery (\$1,000)	\$ 100,000,000

The Authority is governed by a Board consisting of representatives from member municipalities. The Board controls the operations of the Authority, including selection of management and approval of operating budgets, independent of any influence by member municipalities beyond their representation on the Board. The City's deposits with the Authority are in accordance with formulas established by the Authority. Actual surpluses or losses are shared according to a formula developed from overall loss costs and spread to member entities on a percentage basis after a retrospective rating.

Financial statements may be obtained from YCPARMIA, 77 W. Lincoln Ave. Woodland, CA 95695. Audit condensed financial information for the Authority for the most recent period available (for the fiscal year ended June 30, 2012) as audited by other auditors, is presented below:

Statement of Net Assets

Total assets	\$ 17,308,157
Total liabilities	<u>13,596,502</u>
Net Assets	<u><u>\$ 3,711,655</u></u>

Statement of Revenues, Expenses, and Changes in Net Assets

Total income	\$ 9,547,057
Total expenses	<u>7,744,713</u>
Increase in Net Assets	<u><u>\$ 1,802,344</u></u>

B. Liability for Uninsured Claims – Adoption of GASB Statement No. 10

The Governmental Accounting Standards Board (GASB) is requiring municipalities to record their liability for uninsured claims and to reflect the current portion of this liability as an expenditure in their financial statements. As discussed above, the City has coverage for such claims, but it has retained the risk for the deductible or uninsured portion of these claims. GASB Statement No. 10, "Financial Reporting for Risk Financing and Related Insurance Issues" requires that this amount be separately identified and recorded as a liability instead of a designation of fund balance (shown as accounts payable in the general fund).

NOTE 13 – Risk Management (Joint Powers Agreement) (Continued)

B. Liability for Uninsured Claims – Adoption of GASB Statement No. 10 (Continued)

The City’s liability for uninsured claims was computed as follows:

<u>General Fund</u>	
Beginning balance	\$ 10,000
Liability for additional uninsured deductible	_____
Ending balance	\$ <u>10,000</u>

NOTE 14 – Contingent Liabilities

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the government expects such amounts, if any, to be immaterial.

The City is subject to various lawsuits and claims involving public liability and other actions incidental to the ordinary course of City operations. In the aggregate, those claims seek monetary damages in significant amounts. To the extent the outcome of such litigation may be determined to result in financial loss to the City, in the opinion of City management, any potential liability for these actions is adequately provided for in the basic financial statements. The timing of potential payment of such losses cannot presently be determined.

During 1992, the City closed the landfill that was formerly operated by the City. Since 1992, the City has incurred post closure costs. During the 2012-13 fiscal year, the City incurred monitoring costs of \$7,435, and is expected to maintain the monitoring of the closed landfill in the near future. The future costs of postclosure care are subject to change resulting from inflation/deflation, technology, change in scope of work, or changes in applicable laws or regulations.

NOTE 15 – Successor Agency Trust for Assets of Former Redevelopment Agency

On December 29, 2011, the California Supreme Court upheld Assembly Bill 1X 26 (“the Bill”) that provides for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of the City of Winters that previously had reported a redevelopment agency within the reporting entity of the City as a blended component unit.

The Bill provides that upon dissolution of a redevelopment agency, either the city or other unit of local government will agree to serve as the “successor agency” to hold the assets units they are distributed to other units of state and local government. On January 17, 2012, the City Council elected to become the Successor Agency for the former redevelopment agency in accordance with the Bill as part of the City resolution number 2012-02.

After enactment of the law, which occurred on June 28, 2011, redevelopment agencies in the State of California cannot enter into new projects, obligations or commitments. Subject to the control of a newly established oversight board, remaining assets can only be used to pay enforceable obligations in existence as the date of the dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments).

NOTE 15 – Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)

In future fiscal years, successor agencies will only be allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full and all assets have been liquidated.

The Bill directs that State Controller of the State of California to review the propriety of any transfers of assets between redevelopment agencies and other public bodies that occurred after January 1, 2011. If the public body that received such transfers is not contractually committed to a third party for the expenditure or encumbrance of those assets, the state Controller is required to order the available assets to be transferred to the public body designated as the successor agency by the Bill.

Management believes, in consultation with legal counsel, that the obligations of the former redevelopment agency due to the City are valid enforceable obligations payable by the successor agency trust under the requirements of the Bill. The City’s position on this issue is not a position of settled law and there is considerable legal uncertainty regarding this issue. It is reasonably possible that a legal determination may be made at a later date by an appropriate judicial authority that would resolve this issue unfavorably to the City.

In accordance with the timeline set forth in the Bill (as modified by the California Supreme Court on December 29, 2011) all redevelopment agencies in the State of California were dissolved and ceased to operate as a legal entity as of February 1, 2012.

NOTE 16 – Successor Agency

A. Notes Receivable of the Successor Agency as of June 30, 2013 consisted of the following:

Note receivable from a mortgage loan for a home purchase property rehabilitation and construction:	<u>Amount</u>
RDA Successor Agency Private-Purpose Trust Fund	<u>\$ 66,600</u>
Total notes receivable	<u><u>\$ 66,600</u></u>

B. Capital assets of the Successor Agency as of June 30, 2013 consisted of the following:

	July 1, 2012 <u>Balance</u>	<u>Additions</u>	June 30, 2013 <u>Balance</u>
Capital assets, not being depreciated:			
Land	<u>\$ 608,994</u>	<u>\$ 1,893,000</u>	<u>\$ 2,501,994</u>
Total capital assets, not being depreciated	<u>608,994</u>	<u>1,893,000</u>	<u>2,501,994</u>
Capital assets, being depreciated:			
Buildings and improvements	9,392,475		9,392,475
Vehicles and equipment	5,431		5,431
Infrastructure	<u>3,081,286</u>		<u>3,081,286</u>
Total capital assets, being depreciated	<u>12,479,192</u>		<u>12,479,192</u>
Less accumulated depreciation for:			
Buildings and improvements	(416,675)	(209,794)	(626,469)
Vehicles and equipment	(5,431)		(5,431)
Infrastructure	<u>(307,495)</u>	<u>(61,626)</u>	<u>(369,121)</u>
Total accumulated depreciation, net	<u>(729,601)</u>	<u>(271,420)</u>	<u>(1,001,021)</u>
Total capital assets, net	<u><u>\$ 12,358,585</u></u>	<u><u>\$ 1,621,580</u></u>	<u><u>\$ 13,980,165</u></u>

CITY OF WINTERS
NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2013

NOTE 16 – Successor Agency (Continued)

C. The following is a summary of changes in the Successor Agency’s long-term liabilities for the fiscal year ended June 30, 2013:

	Balance at July 1, 2012	Additions	Deletions	Balance at June 30, 2013	Due Within One Year
Tax allocation bonds payable	\$ 16,350,000	\$ -	\$ (500,000)	\$ 15,850,000	\$ 515,000
Payable to City of Winters (General Fund)	457,821			457,821	
Payable to City of Winters (General Plan 92 Fund)	701,902	393,000		1,094,902	
Payable to City of Winters (Water Fund)		1,500,000		1,500,000	
Total	\$ 17,509,723	\$ 1,893,000	\$ (500,000)	\$ 18,902,723	\$ 515,000

Tax Allocation Bonds Payable

Tax Allocation Bonds – Series 2004

On February 27, 2004, the former Redevelopment Agency issued \$7,820,000 of Tax Allocation Bonds bearing interest between 2.00% and 4.63% and payable semi-annually on March 1 and September 1. These bonds provided funds to aid in the financing of redevelopment in the project area. The Bonds are special obligations of the Successor Agency and are payable as to principal, interest and any premiums upon redemption at any time exclusively from the pledged tax revenues of the Successor Agency. The outstanding principal balance of the 2004 Series bonds at June 30, 2013, is \$5,385,000.

The scheduled annual minimum debt service requirements at June 30, 2013, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2014	\$ 245,000	\$ 230,720	\$ 475,720
2015	155,000	224,265	379,265
2016	165,000	218,782	383,782
2017	170,000	212,749	382,749
2018	175,000	206,279	381,279
2019-2023	1,000,000	912,820	1,912,820
2024-2028	1,220,000	665,456	1,885,456
2029-2033	1,535,000	350,432	1,885,432
2034-2035	720,000	33,800	753,800
Totals	\$ 5,385,000	\$ 3,055,303	\$ 8,440,303

Tax Allocation Bonds – Series 2007

On May 31, 2007, the former Redevelopment Agency issued \$11,470,000 of Tax Allocation Bonds bearing interest between 3.50% and 4.40% and payable semi-annually on March 1 and September 1. These bonds provided funds to aid in the financing of redevelopment in the project area. The Bonds are special obligations of the Successor Agency and are payable as to principal, interest and any premiums upon redemption at any time exclusively from the pledged tax revenues of the Successor Agency. The outstanding principal balance of the 2007 Series bonds at June 30, 2013, is \$10,465,000.

CITY OF WINTERS
NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2013

NOTE 16 – Successor Agency (Continued)

C. The following is a summary of changes in the Successor Agency’s long-term liabilities for the fiscal year ended June 30, 2013: (Continued)

Tax Allocation Bonds – Series 2007 (continued)

The scheduled annual minimum debt service requirements at June 30, 2013, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2014	\$ 270,000	\$ 469,260	\$ 739,260
2015	120,000	461,460	581,460
2016	120,000	456,660	576,660
2017	100,000	452,360	552,360
2018	100,000	448,523	548,523
2019-2023	790,000	2,160,029	2,950,029
2024-2028	1,380,000	1,930,918	3,310,918
2029-2033	2,105,000	1,546,766	3,651,766
2034-2038	4,280,000	873,104	5,153,104
2039	1,200,000	28,500	1,228,500
Totals	<u>\$ 10,465,000</u>	<u>\$ 8,827,580</u>	<u>\$ 19,292,580</u>

Advances from City of Winters

The City of Winters had loaned the former Redevelopment Agency amounts as needed for operations. As of June 30, 2013, the balance was \$3,052,723.

NOTE 17 – Prior Period Adjustments

A prior period adjustment of \$1,010,272 was made in the Statement of Activities for Governmental Activities for an understatement of CalPERS side fund liability in the prior fiscal year.

A prior period adjustment of (\$73,048) was made in the General Fund for an overstatement of cash and investments in the prior fiscal year.

A prior period adjustment of \$73,048 was made in the City Wide Assessment Special Revenue Fund for an understatement of cash and investments in the prior fiscal year.

A prior period adjustment of \$393,000 was made in the General Plan 92 Capital Projects Fund for an understatement of due from other funds in the prior fiscal year.

NOTE 18 – Subsequent Events

In preparing the accompanying financial statements, the City management has reviewed all known events that have occurred after June 30, 2013, and through December 13, 2013, the date when this financial statement was available to be issued, for inclusion in the financial statement and footnotes.

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REQUIRED SUPPLEMENTARY INFORMATION

BUDGETARY BASIS OF ACCOUNTING

The City prepares a budget for each fiscal year on or before June 30. Budgeted expenditures are enacted into law through the passage of an Appropriation Resolution. This resolution mandates the maximum authorized expenditures for the fiscal year and cannot be exceeded except by subsequent amendments to the budget by the City Council.

From the effective date of the budget, which is adopted and controlled at the department level, the amounts stated therein as proposed expenditures become appropriations to the various City departments. The legal level of control is by the City Manager. The City Council may amend the budget by resolution during the fiscal year.

Formal budgetary integration is employed as a management control device during the fiscal year for the General fund and special revenue funds. These budgets are adopted on a basis consistent with accounting principles generally accepted in the United States (USGAAP) and are consistent with the basis used for financial reporting. Accordingly, actual revenues and expenditures can be compared with related budget amounts without any reconciliation.

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City of Winters
Required Supplementary Information
June 30, 2013

Other Postemployment Benefits

Schedule of Funding Progress

Valuation Date	Actuarial Accrued Liability (a)	Actuarial Value of Assets (b)	Unfunded Liability (Excess Assets) (a)-(b)	Funded Status (b)/(a)	Annual Covered Payroll (c)	UAAL as a % of Payroll [(a)-(b)]/(c)
6/30/2012	\$ 680,779	\$ -	\$ 680,779	0.0%	\$ 2,141,140	31.8%

CITY OF WINTERS
Combining Schedule of Revenues, Expenditures,
and Changes in Fund Balances
Budget and Actual - General Fund and Major Special Revenue Fund
For the Fiscal Year Ended June 30, 2013

	General Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
REVENUES:				
Tax and assessments	\$ 2,913,162	\$ 2,913,162	\$ 3,006,973	\$ 93,811
Licenses, fees, and permits	187,900	148,150	209,949	61,799
Use of money and property	43,865	43,865	75,643	31,778
Intergovernmental revenues	3,000	3,000	3,639	639
Charges for services	279,729	279,729	282,466	2,737
Other revenue	99,751	99,751	103,540	3,789
TOTAL REVENUES	3,527,407	3,487,657	3,682,210	194,553
EXPENDITURES:				
Current:				
General government	256,075	260,785	331,797	(71,012)
Public safety	2,800,455	2,800,455	2,702,525	97,930
Public works	193,045	190,218	195,714	(5,496)
Community development	327,899	327,899	424,175	(96,276)
Parks and recreation	151,885	152,119	163,322	(11,203)
Capital outlay	37,836	37,836	50,642	(12,806)
TOTAL EXPENDITURES	3,767,195	3,769,312	3,868,175	(98,863)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(239,788)	(281,655)	(185,965)	95,690
OTHER FINANCING SOURCES (USES):				
Transfers in	279,709	279,709	311,386	31,677
Transfers out	(95,264)	(98,726)	(92,802)	5,924
TOTAL OTHER FINANCING SOURCES (USES)	184,445	180,983	218,584	37,601
NET CHANGE IN FUND BALANCES	(55,343)	(100,672)	32,619	133,291
FUND BALANCES, JULY 1, 2012	2,563,191	2,563,191	2,563,191	
PRIOR PERIOD ADJUSTMENTS			(73,048)	(73,048)
FUND BALANCES, JULY 1, 2012, RESTATED	2,563,191	2,563,191	2,490,143	(73,048)
FUND BALANCES, JUNE 30, 2013	\$ 2,507,848	\$ 2,462,519	\$ 2,522,762	\$ 60,243

North Putah Creek Fund

Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
Original	Final		
\$ -	\$ -	\$ -	\$ -
		150	150
1,301,354	1,301,354	1,075,451	(225,903)
<u>1,301,354</u>	<u>1,301,354</u>	<u>1,075,601</u>	<u>(225,753)</u>
		262	(262)
<u>2,117,312</u>	<u>2,117,312</u>	<u>1,279,009</u>	<u>838,303</u>
<u>2,117,312</u>	<u>2,117,312</u>	<u>1,279,271</u>	<u>838,041</u>
<u>(815,958)</u>	<u>(815,958)</u>	<u>(203,670)</u>	<u>612,288</u>
	622,236	622,236	
	<u>622,236</u>	<u>622,236</u>	
<u>(815,958)</u>	<u>(193,722)</u>	<u>418,566</u>	<u>612,288</u>
(269,335)	(269,335)	(269,335)	
<u>(269,335)</u>	<u>(269,335)</u>	<u>(269,335)</u>	
<u>\$ (1,085,293)</u>	<u>\$ (463,057)</u>	<u>\$ 149,231</u>	<u>\$ 612,288</u>

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OTHER SUPPLEMENTAL INFORMATION

CITY OF WINTERS

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular programs.

City Wide Assessment Fund – This fund is used to account for assessments on property that are specifically restricted to the maintenance of City parks and street lighting.

Flood Assessment District Fund – This fund is used to account for donations used to assess the effects of flooding on the City.

Gas Tax Fund – This fund is used to account for the City's share of motor fuel tax revenues that are legally restricted to the maintenance of streets and roads within the City's boundaries.

First Time Homebuyers Fund – This fund is used to account for contributions for first time homebuyer programs donated by developers as a condition of development agreements.

Traffic Safety Fund – This fund is used to account for parking violation revenues and the expenditures that are legally restricted to the enforcement of parking codes.

Asset Forfeiture Fund – This fund is used to account for revenues related to the sale of seized assets from illegal activities. These expenditures are legally restricted for the payment of the City's share of the YONET organization's administrative cost.

Afterschool Program Fund – This fund is used to account for the revenues received from the State of California to provide after school programs in 3 schools within the Winters Joint Unified School District. Expenditures are restricted for use only for providing instruction and enrichment activities afterschool for the youth of the School District.

Vehicle Theft Deterrent Fund – This fund is used to account for revenues and expenditures to deter automobile theft throughout Yolo County.

Transportation Development Act Fund – This fund is used to account for the City's share of revenues and expenditures related to providing public transportation to the citizens of the City of Winters. These funds are received from the Sacramento Area Council of Governments per the Transportation Development Act.

Fire Prevention Grant Fund – This fund is used to account for funding received to educate and prevent fires. These funds are required to be accounted for separately.

CITY OF WINTERS

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds (Continued)

Grant Related Funds:

State COPS 1913 Fund – This fund is used to account for grant funds received by the State of California to support front line police services. These funds are legally restricted to be used to supplement current public safety funding.

Realignment Fund – This fund is used to account for AB109 funding.

Prop 84 Park Fund – This fund is used to account for a grant for the development of a park adjacent to Orchard Village Apartment complex.

Beverage Recycling Grant Fund – This fund is used to account for funds received from the State of California under the Beverage Container Recycling Act. Revenues may be expended for the purchase of recycling materials.

Dry Slough Fund – This fund is used to account for the replacement of the bridge over Dry Slough Creek.

EECBG Grant Fund – This fund is used to account for grant funds used for the HVAC replacement at City Hall.

Community Design Pedestrian Grant Fund – This fund is used to account for grant funds used to design pedestrian access along Grant Avenue.

CDBG Park Grant Fund – This fund is used to account for a second grant for the development of a park adjacent to Orchard Village Apartment complex.

Distracted Driver Grant Fund – This fund is used to account for the Districted Driver grant received by the Police department.

SACOG Community Grant Fund – This fund is used to account for the 2012 SACOG Community grant for the Walnut roundabout.

Volunteer Fire Assistance Grant Fund – This fund is used to account for the 2012 volunteer fire assistance grant received by the Fire department.

STBG 96-1043 Fund – This fund is used to account for funds expended for public works projects and housing rehabilitation loans made available through Block Grant Funds from the State of California. These funds are required to be accounted for separately.

CITY OF WINTERS

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds (Continued)

Grant Related Funds (Continued):

HOME 98-347 Fund – This fund is used to account for the housing rehabilitation loans that the City of Winters made available to the citizens of the City of Winters utilizing Block Grant Funds from the State of California. These funds are required to be accounted for separately.

EDBG 99-688 Fund – This fund is used to account for small business assistance loans made available through Economic Development Block Grant funds for the rehabilitation of the Buckhorn Café. These funds are required to be accounted for separately.

EDBG 96-405 Fund – This fund is used to account for small business assistance loans made available through Economic Development Block Grant funds for the rehabilitation of the empty Cradwick Building for use as business suites. These funds are required to be accounted for separately.

STBG-6745 Fund – This fund is used to account for the development of Orchard Village Park.

Revolving Loan Funds:

Housing Rehabilitation RLF Fund – This fund is used to account for 40% of loan repayments on the housing rehabilitation grants. These funds are restricted to be spent for first time homebuyer assistance per the Program Income Use Policy of the City of Winters.

HOME Program RLF Fund – This fund is used to account for HOME Program loan repayments. These funds are restricted to be spent for housing rehabilitation per the Program Income Use Policy of the City of Winters.

First Time Homebuyer RLF Fund – This fund is used to account for 60% of loan repayments on the housing rehabilitation grants. These funds are restricted to be spent for first time homebuyer assistance per the Program Income Use Policy of the City of Winters.

Small Business RLF Fund – This fund is used to account for the loan repayments on Economic Development Block Grants. These funds are restricted for the use of small business assistance per the Program Income Use Policy of the City of Winters.

**CITY OF WINTERS
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2013**

	Special Revenue Funds	Debt Service Fund	Capital Projects Funds	Total Nonmajor Governmental Funds
ASSETS:				
Cash and investments	\$ 1,490,835	\$ 56,104	\$ 3,420,432	\$ 4,967,371
Receivables:				
Accounts receivable	122,278			122,278
Interest receivable	758	36	1,991	2,785
Notes receivable	1,306,770		16,800	1,323,570
Due from other funds	29,070			29,070
Receivable due from successor agency trust fund			1,094,902	1,094,902
Advance to other funds			125,000	125,000
TOTAL ASSETS	\$ 2,949,711	\$ 56,140	\$ 4,659,125	\$ 7,664,976
LIABILITIES AND FUND BALANCES				
LIABILITIES:				
Accounts payable	\$ 67,586	\$ -	\$ -	\$ 67,586
Deposits payable			9,589	9,589
Unearned revenue	1,306,770		16,800	1,323,570
Due to other funds	282,658		1,139,054	1,421,712
Advances from other funds			125,000	125,000
TOTAL LIABILITIES	1,657,014	-	1,290,443	2,947,457
FUND BALANCES:				
Restricted	1,579,536		2,847,396	4,426,932
Committed			1,078,260	1,078,260
Assigned		56,140		56,140
Unassigned	(286,839)		(556,974)	(843,813)
TOTAL FUND BALANCES	1,292,697	56,140	3,368,682	4,717,519
TOTAL LIABILITIES AND FUND BALANCES	\$ 2,949,711	\$ 56,140	\$ 4,659,125	\$ 7,664,976

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CITY OF WINTERS
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2013

	Special Revenue Funds	Debt Service Fund	Capital Projects Funds	Total Nonmajor Governmental Funds
REVENUES:				
Taxes and assessments	\$ 364,171	\$ -	\$ -	\$ 364,171
Fines and forfeitures	16,146			16,146
Licenses, fees, and permits			171,277	171,277
Program income	27,182			27,182
Use of money and property	37,534	172	11,187	48,893
Intergovernmental revenue	805,333			805,333
Other revenue	6,276		78,126	84,402
TOTAL REVENUES	<u>1,256,642</u>	<u>172</u>	<u>260,590</u>	<u>1,517,404</u>
EXPENDITURES:				
Current:				
Public safety	103,155		29,047	132,202
Public works			20,995	20,995
Parks and recreation	413,130		12,639	425,769
Streets and highways	248,735			248,735
Capital outlay	525,029		639,851	1,164,880
TOTAL EXPENDITURES	<u>1,290,049</u>	<u></u>	<u>702,532</u>	<u>1,992,581</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(33,407)</u>	<u>172</u>	<u>(441,942)</u>	<u>(475,177)</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	101,267		1,211	102,478
Transfers out	(129,537)		(623,447)	(752,984)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(28,270)</u>	<u></u>	<u>(622,236)</u>	<u>(650,506)</u>
NET CHANGES IN FUND BALANCES	<u>(61,677)</u>	<u>172</u>	<u>(1,064,178)</u>	<u>(1,125,683)</u>
FUND BALANCES, JULY 1, 2012	1,281,326	55,968	4,039,860	5,377,154
PRIOR PERIOD ADJUSTMENTS	<u>73,048</u>	<u></u>	<u>393,000</u>	<u>466,048</u>
FUND BALANCES, JULY 1, 2012, RESTATED	<u>1,354,374</u>	<u>55,968</u>	<u>4,432,860</u>	<u>5,843,202</u>
FUND BALANCES, JUNE 30, 2013	<u>\$ 1,292,697</u>	<u>\$ 56,140</u>	<u>\$ 3,368,682</u>	<u>\$ 4,717,519</u>

CITY OF WINTERS
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2013

	<u>City Wide Assessment Fund</u>	<u>Flood Assessment Fund</u>	<u>Gas Tax Fund</u>	<u>First Time Homebuyers Fund</u>
ASSETS:				
Cash and investments	\$ 70,913	\$ 3,824	\$ 212,224	\$ 84,357
Receivables:				
Accounts receivable	10,347		15,556	
Interest receivable		3	121	54
Notes receivable				
Due from other funds				
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL ASSETS	<u>\$ 81,260</u>	<u>\$ 3,827</u>	<u>\$ 227,901</u>	<u>\$ 84,411</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES:				
Accounts payable	\$ 11,007	\$ -	\$ 1,411	\$ -
Unearned revenue				
Due to other funds				
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL LIABILITIES	<u>11,007</u>	<u></u>	<u>1,411</u>	<u></u>
FUND BALANCES:				
Restricted	70,253	3,827	226,490	84,411
Unassigned				
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUND BALANCES (DEFICITS)	<u>70,253</u>	<u>3,827</u>	<u>226,490</u>	<u>84,411</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 81,260</u>	<u>\$ 3,827</u>	<u>\$ 227,901</u>	<u>\$ 84,411</u>

Traffic Safety Fund	Asset Forfeiture Fund	Afterschool Program Fund	Vehicle Theft Deterrent Fund	Transportation Development Act Fund	Fire Prevention Fund
\$ 174,640	\$ 13,201	\$ 122,665	\$ 66,780	\$ 243,939	\$ 853
4,635		1,617		57,487	
108	9	79	43	35	1
<u>\$ 179,383</u>	<u>\$ 13,210</u>	<u>\$ 124,361</u>	<u>\$ 66,823</u>	<u>\$ 301,461</u>	<u>\$ 854</u>
\$ 5,150	\$ -	\$ 2,765	\$ -	\$ 14,629	\$ -
<u>5,150</u>		<u>2,765</u>		<u>14,629</u>	
174,233	13,210	121,596	66,823	286,832	854
<u>174,233</u>	<u>13,210</u>	<u>121,596</u>	<u>66,823</u>	<u>286,832</u>	<u>854</u>
<u>\$ 179,383</u>	<u>\$ 13,210</u>	<u>\$ 124,361</u>	<u>\$ 66,823</u>	<u>\$ 301,461</u>	<u>\$ 854</u>

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CITY OF WINTERS
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2013
(Continued)

	<u>Grant- related Funds</u>	<u>Revolving Loan Funds</u>	<u>Totals</u>
ASSETS			
Cash and investments	\$ 38,896	\$ 458,543	\$ 1,490,835
Receivables:			
Accounts receivable	31,443	1,193	122,278
Interest receivable	14	291	758
Notes receivable	522,859	783,911	1,306,770
Due from other funds		29,070	29,070
	<u>593,212</u>	<u>1,273,008</u>	<u>2,949,711</u>
TOTAL ASSETS			
	<u>\$ 593,212</u>	<u>\$ 1,273,008</u>	<u>\$ 2,949,711</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES:			
Accounts payable	\$ 32,624	\$ -	\$ 67,586
Unearned revenue	522,859	783,911	1,306,770
Due to other funds	282,658		282,658
	<u>838,141</u>	<u>783,911</u>	<u>1,657,014</u>
TOTAL LIABILITIES			
	<u>838,141</u>	<u>783,911</u>	<u>1,657,014</u>
FUND BALANCES:			
Restricted	41,910	489,097	1,579,536
Unassigned	(286,839)		(286,839)
	<u>(244,929)</u>	<u>489,097</u>	<u>1,292,697</u>
TOTAL FUND BALANCES (DEFICITS)			
	<u>(244,929)</u>	<u>489,097</u>	<u>1,292,697</u>
TOTAL LIABILITIES AND FUND BALANCES			
	<u>\$ 593,212</u>	<u>\$ 1,273,008</u>	<u>\$ 2,949,711</u>

CITY OF WINTERS
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2013

	<u>City Wide Assessment Fund</u>	<u>Flood Assessment Fund</u>	<u>Gas Tax Fund</u>	<u>First Time Homebuyers Fund</u>
REVENUES:				
Taxes and assessments	\$ 196,563	\$ -	\$ 167,608	\$ -
Fines and forfeitures				
Program income				
Use of money and property		12	587	258
Intergovernmental revenues				
Other revenue				
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL REVENUES	<u>196,563</u>	<u>12</u>	<u>168,195</u>	<u>258</u>
EXPENDITURES:				
Current:				
Public safety				
Parks and recreation	269,497			
Streets and highways			119,497	
Capital outlay			33,791	
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL EXPENDITURES	<u>269,497</u>	<u></u>	<u>153,288</u>	<u></u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(72,934)</u>	<u>12</u>	<u>14,907</u>	<u>258</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	72,934			
Transfers out				
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL OTHER FINANCING SOURCES (USES)	<u>72,934</u>	<u></u>	<u></u>	<u></u>
NET CHANGE IN FUND BALANCES	<u></u>	<u>12</u>	<u>14,907</u>	<u>258</u>
FUND BALANCES (DEFICITS), JULY 1, 2012	(2,795)	3,815	211,583	84,153
PRIOR PERIOD ADJUSTMENTS	<u>73,048</u>	<u></u>	<u></u>	<u></u>
FUND BALANCES (DEFICITS), JULY 1, 2012, RESTATED	<u>70,253</u>	<u>3,815</u>	<u>211,583</u>	<u>84,153</u>
FUND BALANCES (DEFICITS), JUNE 30, 2013	<u>\$ 70,253</u>	<u>\$ 3,827</u>	<u>\$ 226,490</u>	<u>\$ 84,411</u>

Traffic Safety Fund	Asset Forfeiture Fund	Afterschool Program Fund	Vehicle Theft Deterrent Fund	Transportation Development Act Fund	Fire Prevention Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
16,146					
565	42	434	189	119	3
	411	130,933	18,000	349,708	
		700			
16,711	453	132,067	18,189	349,827	3
1,155	1,555				206
		135,213			
73,465				123,764	
				70,068	
74,620	1,555	135,213		193,832	206
(57,909)	(1,102)	(3,146)	18,189	155,995	(203)
				(285)	
				(285)	
(57,909)	(1,102)	(3,146)	18,189	155,710	(203)
232,142	14,312	124,742	48,634	131,122	1,057
232,142	14,312	124,742	48,634	131,122	1,057
\$ 174,233	\$ 13,210	\$ 121,596	\$ 66,823	\$ 286,832	\$ 854

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CITY OF WINTERS
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2013
(Continued)

	Grant- related Funds	Revolving Loan Funds	Totals
REVENUES:			
Taxes and assessments	\$ -	\$ -	\$ 364,171
Fines and forfeitures			16,146
Program income	18,375	8,807	27,182
Use of money and property	17,881	17,444	37,534
Intergovernmental revenues	306,281		805,333
Other revenue	5,576		6,276
TOTAL REVENUES	348,113	26,251	1,256,642
EXPENDITURES:			
Current:			
Public safety	100,239		103,155
Parks and recreation	8,420		413,130
Streets and highways	5,474		248,735
Capital outlay	347,705		525,029
TOTAL EXPENDITURES	461,838		1,290,049
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(113,725)	26,251	(33,407)
OTHER FINANCING SOURCES (USES):			
Transfers in	285	28,048	101,267
Transfers out	(36,174)	(93,078)	(129,537)
TOTAL OTHER FINANCING SOURCES (USES)	(35,889)	(65,030)	(28,270)
NET CHANGE IN FUND BALANCES	(149,614)	(38,779)	(61,677)
FUND BALANCES (DEFICITS), JULY 1, 2012	(95,315)	527,876	1,281,326
PRIOR PERIOD ADJUSTMENTS			73,048
FUND BALANCES (DEFICITS), JULY 1, 2012, RESTATED	(95,315)	527,876	1,354,374
FUND BALANCES (DEFICITS), JUNE 30, 2013	\$ (244,929)	\$ 489,097	\$ 1,292,697

CITY OF WINTERS
Combining Schedule of Revenues, Expenditures,
and Changes in Fund Balances
Budget and Actual - Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2013

	City Wide Assessment Fund		
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES:			
Tax and assessments	\$ 195,278	\$ 196,563	\$ 1,285
Fines and forfeitures			
Use of money and property			
Intergovernmental revenues			
Other revenue			
TOTAL REVENUES	<u>195,278</u>	<u>196,563</u>	<u>1,285</u>
EXPENDITURES:			
Current:			
Public safety			
Parks and recreation	254,768	269,497	(14,729)
Streets and highways			
Capital outlay			
TOTAL EXPENDITURES	<u>254,768</u>	<u>269,497</u>	<u>(14,729)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(59,490)</u>	<u>(72,934)</u>	<u>(13,444)</u>
OTHER FINANCING SOURCES (USES):			
Transfers in	56,819	72,934	16,115
Transfers out			
TOTAL OTHER FINANCING SOURCES (USES)	<u>56,819</u>	<u>72,934</u>	<u>16,115</u>
NET CHANGE IN FUND BALANCES	<u>(2,671)</u>		<u>2,671</u>
FUND BALANCES (DEFICITS), JULY 1, 2012	(2,795)	(2,795)	
PRIOR PERIOD ADJUSTMENTS		73,048	73,048
FUND BALANCES (DEFICITS), JULY 1, 2012, RESTATED	<u>(2,795)</u>	<u>70,253</u>	<u>73,048</u>
FUND BALANCES (DEFICITS), JUNE 30, 2013	<u>\$ (5,466)</u>	<u>\$ 70,253</u>	<u>\$ 75,719</u>

Flood Assessment Fund			Gas Tax Fund		
Final Budget	Actual	Variance with Final Budget Positive (Negative)	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ -	\$ -	\$ -	\$ 190,338	\$ 167,608	\$ (22,730)
28	12	(16)		587	587
28	12	(16)	190,338	168,195	(22,143)
			192,243	119,497	72,746
			24,128	33,791	(9,663)
			216,371	153,288	63,083
28	12	(16)	(26,033)	14,907	40,940
28	12	(16)	(26,033)	14,907	40,940
3,815	3,815		211,583	211,583	
3,815	3,815		211,583	211,583	
<u>\$ 3,843</u>	<u>\$ 3,827</u>	<u>\$ (16)</u>	<u>\$ 185,550</u>	<u>\$ 226,490</u>	<u>\$ 40,940</u>

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CITY OF WINTERS
Combining Schedule of Revenues, Expenditures,
and Changes in Fund Balances
Budget and Actual - Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2013
(Continued)

	First Time Homebuyers Fund		
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES:			
Tax and assessments	\$ -	\$ -	\$ -
Fines and forfeitures			
Use of money and property		258	258
Intergovernmental revenues			
Other revenue			
TOTAL REVENUES		<u>258</u>	<u>258</u>
EXPENDITURES:			
Current:			
Public safety			
Parks and recreation			
Streets and highways			
Capital outlay			
TOTAL EXPENDITURES			
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES		<u>258</u>	<u>258</u>
OTHER FINANCING SOURCES (USES):			
Transfers in			
Transfers out			
TOTAL OTHER FINANCING SOURCES (USES)			
NET CHANGE IN FUND BALANCES		<u>258</u>	<u>258</u>
FUND BALANCES (DEFICITS), JULY 1, 2012	84,153	84,153	
PRIOR PERIOD ADJUSTMENTS			
FUND BALANCES (DEFICITS), JULY 1, 2012, RESTATED	<u>84,153</u>	<u>84,153</u>	
FUND BALANCES (DEFICITS), JUNE 30, 2013	<u>\$ 84,153</u>	<u>\$ 84,411</u>	<u>\$ 258</u>

Traffic Safety Fund			Asset Forfeiture Fund		
Final Budget	Actual	Variance with Final Budget Positive (Negative)	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6,000	16,146	10,146			
800	565	(235)	52	42	(10)
				411	411
<u>6,800</u>	<u>16,711</u>	<u>9,911</u>	<u>52</u>	<u>453</u>	<u>401</u>
	1,155	(1,155)	4,500	1,555	2,945
<u>92,270</u>	<u>73,465</u>	<u>18,805</u>			
<u>92,270</u>	<u>74,620</u>	<u>17,650</u>	<u>4,500</u>	<u>1,555</u>	<u>2,945</u>
<u>(85,470)</u>	<u>(57,909)</u>	<u>27,561</u>	<u>(4,448)</u>	<u>(1,102)</u>	<u>3,346</u>
<u>(85,470)</u>	<u>(57,909)</u>	<u>27,561</u>	<u>(4,448)</u>	<u>(1,102)</u>	<u>3,346</u>
232,142	232,142		14,312	14,312	
<u>232,142</u>	<u>232,142</u>		<u>14,312</u>	<u>14,312</u>	
<u>\$ 146,672</u>	<u>\$ 174,233</u>	<u>\$ 27,561</u>	<u>\$ 9,864</u>	<u>\$ 13,210</u>	<u>\$ 3,346</u>

(Continued)

CITY OF WINTERS
Combining Schedule of Revenues, Expenditures,
and Changes in Fund Balances
Budget and Actual - Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2013
(Continued)

	Afterschool Program Fund		
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES:			
Tax and assessments	\$ -	\$ -	\$ -
Fines and forfeitures			
Use of money and property		434	434
Intergovernmental revenues	141,670	130,933	(10,737)
Other revenue		700	700
TOTAL REVENUES	<u>141,670</u>	<u>132,067</u>	<u>(9,603)</u>
EXPENDITURES:			
Current:			
Public safety			
Parks and recreation	116,572	135,213	(18,641)
Streets and highways			
Capital outlay			
TOTAL EXPENDITURES	<u>116,572</u>	<u>135,213</u>	<u>(18,641)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>25,098</u>	<u>(3,146)</u>	<u>(28,244)</u>
OTHER FINANCING SOURCES (USES):			
Transfers in			
Transfers out			
TOTAL OTHER FINANCING SOURCES (USES)			
NET CHANGE IN FUND BALANCES	<u>25,098</u>	<u>(3,146)</u>	<u>(28,244)</u>
FUND BALANCES (DEFICITS), JULY 1, 2012	124,742	124,742	
PRIOR PERIOD ADJUSTMENTS			
FUND BALANCES (DEFICITS), JULY 1, 2012, RESTATED	<u>124,742</u>	<u>124,742</u>	
FUND BALANCES (DEFICITS), JUNE 30, 2013	<u>\$ 149,840</u>	<u>\$ 121,596</u>	<u>\$ (28,244)</u>

Vehicle Theft Deterrent Fund			Transportation Development Act Fund		
Final Budget	Actual	Variance with Final Budget Positive (Negative)	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
185	189	4	524	119	(405)
	18,000	18,000	301,387	349,708	48,321
<u>185</u>	<u>18,189</u>	<u>18,004</u>	<u>301,911</u>	<u>349,827</u>	<u>47,916</u>
			363,162	123,764	239,398
			37,420	70,068	(32,648)
			<u>400,582</u>	<u>193,832</u>	<u>206,750</u>
<u>185</u>	<u>18,189</u>	<u>18,004</u>	<u>(98,671)</u>	<u>155,995</u>	<u>254,666</u>
				(285)	(285)
				(285)	(285)
<u>185</u>	<u>18,189</u>	<u>18,004</u>	<u>(98,671)</u>	<u>155,710</u>	<u>254,381</u>
48,634	48,634		131,122	131,122	
<u>48,634</u>	<u>48,634</u>		<u>131,122</u>	<u>131,122</u>	
<u>\$ 48,819</u>	<u>\$ 66,823</u>	<u>\$ 18,004</u>	<u>\$ 32,451</u>	<u>\$ 286,832</u>	<u>\$ 254,381</u>

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CITY OF WINTERS
Combining Schedule of Revenues, Expenditures,
and Changes in Fund Balances
Budget and Actual - Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2013
(Continued)

	Fire Prevention Fund		
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES:			
Tax and assessments	\$ -	\$ -	\$ -
Fines and forfeitures			
Use of money and property		3	3
Intergovernmental revenues			
Other revenue			
TOTAL REVENUES		3	3
EXPENDITURES:			
Current:			
Public safety	500	206	294
Parks and recreation			
Streets and highways			
Capital outlay			
TOTAL EXPENDITURES	500	206	294
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(500)	(203)	297
OTHER FINANCING SOURCES (USES):			
Transfers in			
Transfers out			
TOTAL OTHER FINANCING SOURCES (USES)			
NET CHANGE IN FUND BALANCES	(500)	(203)	297
FUND BALANCES (DEFICITS), JULY 1, 2012	1,057	1,057	
PRIOR PERIOD ADJUSTMENTS			
FUND BALANCES (DEFICITS), JULY 1, 2012, RESTATED	1,057	1,057	
FUND BALANCES (DEFICITS), JUNE 30, 2013	\$ 557	\$ 854	\$ 297

CITY OF WINTERS
Combining Balance Sheet
Nonmajor Grant-Related Special Revenue Funds
June 30, 2013

	<u>State COPS 1913 Fund</u>	<u>Realignment Fund</u>	<u>Prop 84 Park Fund</u>	<u>Beverage Recycling Fund</u>
ASSETS				
Cash and investments	\$ -	\$ 16,874	\$ -	\$ 22,022
Receivables:				
Accounts receivable				5,000
Interest receivable				14
Notes receivable				
TOTAL ASSETS	<u>\$ -</u>	<u>\$ 16,874</u>	<u>\$ -</u>	<u>\$ 27,036</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ 2,000
Unearned revenue				
Due to other funds	59,908		116,322	
TOTAL LIABILITIES	<u>59,908</u>		<u>116,322</u>	<u>2,000</u>
FUND BALANCES (DEFICIT)				
Restricted		16,874		25,036
Unassigned	(59,908)		(116,322)	
TOTAL FUND BALANCES (DEFICITS)	<u>(59,908)</u>	<u>16,874</u>	<u>(116,322)</u>	<u>25,036</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ -</u>	<u>\$ 16,874</u>	<u>\$ -</u>	<u>\$ 27,036</u>

Dry Slough Fund	EECBG Grant Fund	Community Design Pedestrian Grant Fund	CDBG Park Grant Fund	Distracted Driver Fund	SACOG Community Grant Fund	Volunteer Fire Assistance Grant Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
22,040				4,403		
<u>\$ 22,040</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,403</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 3,120	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,871
28,202			261	4,403		7,830
31,322			261	4,403		11,701
(9,282)			(261)			(11,701)
(9,282)			(261)			(11,701)
<u>\$ 22,040</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,403</u>	<u>\$ -</u>	<u>\$ -</u>

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CITY OF WINTERS
Combining Balance Sheet
Nonmajor Grant-Related Special Revenue Funds
June 30, 2013
(Continued)

	Block Grants					Totals
	STBG 96-1043 Fund	Home 98-347 Fund	EDBG 99-688 Fund	EDBG 96-405 Fund	STBG - 6745 Fund	
ASSETS						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 38,896
Receivables:						
Accounts receivable						31,443
Interest receivable						14
Notes receivable		127,146	138,456	257,257		522,859
TOTAL ASSETS	<u>\$ -</u>	<u>\$ 127,146</u>	<u>\$ 138,456</u>	<u>\$ 257,257</u>	<u>\$ -</u>	<u>\$ 593,212</u>
LIABILITIES AND FUND BALANCES						
LIABILITIES						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 23,633	\$ 32,624
Unearned revenue		127,146	138,456	257,257		522,859
Due to other funds	29,070				36,662	282,658
TOTAL LIABILITIES	<u>29,070</u>	<u>127,146</u>	<u>138,456</u>	<u>257,257</u>	<u>60,295</u>	<u>838,141</u>
FUND BALANCES (DEFICIT)						
Restricted						41,910
Unassigned	(29,070)				(60,295)	(286,839)
TOTAL FUND BALANCES (DEFICITS)	<u>(29,070)</u>				<u>(60,295)</u>	<u>(244,929)</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ -</u>	<u>\$ 127,146</u>	<u>\$ 138,456</u>	<u>\$ 257,257</u>	<u>\$ -</u>	<u>\$ 593,212</u>

CITY OF WINTERS
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Nonmajor Grant-Related Special Revenue Funds
For the Fiscal Year Ended June 30, 2013

	State COPS 1913 Fund	Realignment Fund	Prop 84 Park Fund	Beverage Recycling Fund
REVENUES:				
Program income	\$ -	\$ -	\$ -	\$ -
Use of money and property		3		79
Intergovernmental revenues	64,317	17,758		5,000
Other revenue				
TOTAL REVENUES	<u>64,317</u>	<u>17,761</u>		<u>5,079</u>
EXPENDITURES:				
Current:				
Public safety	71,465	3,116		
Parks and recreation				8,420
Streets and highways				
Capital outlay			105,307	
TOTAL EXPENDITURES	<u>71,465</u>	<u>3,116</u>	<u>105,307</u>	<u>8,420</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(7,148)</u>	<u>14,645</u>	<u>(105,307)</u>	<u>(3,341)</u>
OTHER FINANCING SOURCES (USES):				
Transfers in				
Transfers out				
TOTAL OTHER FINANCING SOURCES (USES)				
NET CHANGE IN FUND BALANCES	(7,148)	14,645	(105,307)	(3,341)
FUND BALANCES (DEFICIT), JULY 1, 2012	<u>(52,760)</u>	<u>2,229</u>	<u>(11,015)</u>	<u>28,377</u>
FUND BALANCES (DEFICIT), JUNE 30, 2013	<u>\$ (59,908)</u>	<u>\$ 16,874</u>	<u>\$ (116,322)</u>	<u>\$ 25,036</u>

Dry Slough Fund	EECBG Grant Fund	Community Design Pedestrian Grant Fund	CDBG Park Grant Fund	Distracted Driver Grant Fund	SACOG Community Grant Fund	Volunteer Fire Assistance Grant Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
174,267	14,302	11,206		13,957	5,474	
		5,576				
174,267	14,302	16,782		13,957	5,474	
				13,957		11,701
182,103					5,474	
182,103				13,957	5,474	11,701
(7,836)	14,302	16,782				(11,701)
		285				
		285				
(7,836)	14,302	17,067				(11,701)
(1,446)	(14,302)	(17,067)	(261)			
\$ (9,282)	\$ -	\$ -	\$ (261)	\$ -	\$ -	\$ (11,701)

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CITY OF WINTERS
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Nonmajor Grant-Related Special Revenue Funds
For the Fiscal Year Ended June 30, 2013
(Continued)

	Block Grants					Totals
	STBG 96-1043 Fund	Home 98-347 Fund	EDBG 99-688 Fund	EDBG 96-405 Fund	STBG 6745 Fund	
REVENUES:						
Program income	\$ -	\$ -	\$ 10,213	\$ 8,162	\$ -	\$ 18,375
Use of money and property			7,191	10,608		17,881
Intergovernmental revenues						306,281
Other revenue						5,576
TOTAL REVENUES			17,404	18,770		348,113
EXPENDITURES:						
Current:						
Public safety						100,239
Parks and recreation						8,420
Streets and highways						5,474
Capital outlay					60,295	347,705
TOTAL EXPENDITURES					60,295	461,838
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES			17,404	18,770	(60,295)	(113,725)
OTHER FINANCING SOURCES (USES):						
Transfers in						285
Transfers out			(17,404)	(18,770)		(36,174)
TOTAL OTHER FINANCING SOURCES (USES)			(17,404)	(18,770)		(35,889)
NET CHANGE IN FUND BALANCES					(60,295)	(149,614)
FUND BALANCES (DEFICIT), JULY 1, 2012	(29,070)					(95,315)
FUND BALANCES (DEFICIT), JUNE 30, 2013	\$ (29,070)	\$ -	\$ -	\$ -	\$ (60,295)	\$ (244,929)

CITY OF WINTERS
Combining Schedule of Revenues, Expenditures,
and Changes in Fund Balances
Budget and Actual - Nonmajor Grants Special Revenue Funds
For the Fiscal Year Ended June 30, 2013

	<u>State COPS 1913 Fund</u>		
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES:			
Program income	\$ -	\$ -	\$ -
Use of money and property			
Intergovernmental revenues	100,000	64,317	(35,683)
Other revenue			
	<u>100,000</u>	<u>64,317</u>	<u>(35,683)</u>
TOTAL REVENUES	<u>100,000</u>	<u>64,317</u>	<u>(35,683)</u>
EXPENDITURES:			
Current:			
Public safety	73,656	71,465	2,191
Parks and recreation			
Streets and highways			
Capital outlay			
	<u>73,656</u>	<u>71,465</u>	<u>2,191</u>
TOTAL EXPENDITURES	<u>73,656</u>	<u>71,465</u>	<u>2,191</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>26,344</u>	<u>(7,148)</u>	<u>(33,492)</u>
OTHER FINANCING SOURCES (USES):			
Transfers in			
Transfers out			
	<u> </u>	<u> </u>	<u> </u>
TOTAL OTHER FINANCING SOURCES (USES)	<u> </u>	<u> </u>	<u> </u>
NET CHANGE IN FUND BALANCES	26,344	(7,148)	(33,492)
FUND BALANCES (DEFICITS), JULY 1, 2012	<u>(52,760)</u>	<u>(52,760)</u>	<u> </u>
FUND BALANCES (DEFICITS), JUNE 30, 2013	<u>\$ (26,416)</u>	<u>\$ (59,908)</u>	<u>\$ (33,492)</u>

Prop 84 Park Fund			Beverage Recycling Fund		
Final Budget	Actual	Variance with Final Budget Positive (Negative)	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
865,191		(865,191)	100	79	(21)
			5,000	5,000	
865,191		(865,191)	5,100	5,079	(21)
			10,000	8,420	1,580
858,320	105,307	753,013			
858,320	105,307	753,013	10,000	8,420	1,580
6,871	(105,307)	(112,178)	(4,900)	(3,341)	1,559
6,871	(105,307)	(112,178)	(4,900)	(3,341)	1,559
(11,015)	(11,015)		28,377	28,377	
\$ (4,144)	\$ (116,322)	\$ (112,178)	\$ 23,477	\$ 25,036	\$ 1,559

(Continued)

CITY OF WINTERS
Combining Schedule of Revenues, Expenditures,
and Changes in Fund Balances
Budget and Actual - Nonmajor Grants Special Revenue Funds
For the Fiscal Year Ended June 30, 2013
(Continued)

	Dry Slough Fund		
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES:			
Program income	\$ -	\$ -	\$ -
Use of money and property			
Intergovernmental revenues		174,267	174,267
Other revenue			
TOTAL REVENUES		174,267	174,267
EXPENDITURES:			
Current:			
Public safety			
Parks and recreation			
Streets and highways			
Capital outlay	159,165	182,103	(22,938)
TOTAL EXPENDITURES	159,165	182,103	(22,938)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(159,165)	(7,836)	151,329
OTHER FINANCING SOURCES (USES):			
Transfers in			
Transfers out			
TOTAL OTHER FINANCING SOURCES (USES)			
NET CHANGE IN FUND BALANCES	(159,165)	(7,836)	151,329
FUND BALANCES (DEFICITS), JULY 1, 2012	(1,446)	(1,446)	
FUND BALANCES (DEFICITS), JUNE 30, 2013	\$ (160,611)	\$ (9,282)	\$ 151,329

Community Design Pedestrian Grant Fund			Block Grant - STBG 96-1043		
Final Budget	Actual	Variance with Final Budget Positive (Negative)	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
80,000	11,206	(68,794)	72		(72)
	5,576	5,576			
80,000	16,782	(63,218)	72		(72)
77,414		77,414			
77,414		77,414			
2,586	16,782	14,196	72		(72)
	285	285	(7,500)		7,500
	285	285	(7,500)		7,500
2,586	17,067	14,481	(7,428)		7,428
(17,067)	(17,067)		(29,070)	(29,070)	
\$ (14,481)	\$ -	\$ 14,481	\$ (36,498)	\$ (29,070)	\$ 7,428

(Continued)

CITY OF WINTERS
Combining Schedule of Revenues, Expenditures,
and Changes in Fund Balances
Budget and Actual - Nonmajor Grants Special Revenue Funds
For the Fiscal Year Ended June 30, 2013
(Continued)

	Block Grant - EDBG 99-688		
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES:			
Program income	\$ 10,810	\$ 10,213	\$ (597)
Use of money and property	8,770	7,191	(1,579)
Intergovernmental revenues			
Other revenue			
	<hr/>	<hr/>	<hr/>
TOTAL REVENUES	19,580	17,404	(2,176)
	<hr/>	<hr/>	<hr/>
EXPENDITURES:			
Current:			
Public safety			
Parks and recreation			
Streets and highways			
Capital outlay			
	<hr/>	<hr/>	<hr/>
TOTAL EXPENDITURES	<hr/>	<hr/>	<hr/>
	<hr/>	<hr/>	<hr/>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	19,580	17,404	(2,176)
	<hr/>	<hr/>	<hr/>
OTHER FINANCING SOURCES (USES):			
Transfers in			
Transfers out	(19,580)	(17,404)	2,176
	<hr/>	<hr/>	<hr/>
TOTAL OTHER FINANCING SOURCES (USES)	(19,580)	(17,404)	2,176
	<hr/>	<hr/>	<hr/>
NET CHANGE IN FUND BALANCES			
FUND BALANCES (DEFICITS), JULY 1, 2012	<hr/>	<hr/>	<hr/>
FUND BALANCES (DEFICITS), JUNE 30, 2013	\$ -	\$ -	\$ -
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Block Grant - EDBG 96-405

Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 1,970	\$ 8,162	\$ 6,192
3,578	10,608	7,030
<u>5,548</u>	<u>18,770</u>	<u>13,222</u>
<u>5,548</u>	<u>18,770</u>	<u>13,222</u>
<u>(5,548)</u>	<u>(18,770)</u>	<u>(13,222)</u>
<u>(5,548)</u>	<u>(18,770)</u>	<u>(13,222)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF WINTERS
Combining Balance Sheet
Nonmajor Revolving Loan (RLF) Special Revenue Funds
June 30, 2013

	<u>Housing Rehabilitation RLF Fund</u>	<u>Home Program RLF Fund</u>	<u>First Time Homebuyers RLF Fund</u>	<u>Small Business RLF Fund</u>	<u>Totals</u>
ASSETS					
Cash and investments	\$ 293,618	\$ 74,978	\$ 27	\$ 89,920	\$ 458,543
Receivables:					
Accounts receivable	1,193				1,193
Interest receivable	190	48		53	291
Notes receivable	94,350	277,043	346,561	65,957	783,911
Due from other funds	11,643		17,427		29,070
	<u>11,643</u>	<u>277,043</u>	<u>17,427</u>	<u>65,957</u>	<u>29,070</u>
TOTAL ASSETS	<u>\$ 400,994</u>	<u>\$ 352,069</u>	<u>\$ 364,015</u>	<u>\$ 155,930</u>	<u>\$ 1,273,008</u>
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Unearned revenue	\$ 94,350	\$ 277,043	\$ 346,561	\$ 65,957	\$ 783,911
TOTAL LIABILITIES	<u>94,350</u>	<u>277,043</u>	<u>346,561</u>	<u>65,957</u>	<u>783,911</u>
FUND BALANCES:					
Restricted	<u>306,644</u>	<u>75,026</u>	<u>17,454</u>	<u>89,973</u>	<u>489,097</u>
TOTAL FUND BALANCES	<u>306,644</u>	<u>75,026</u>	<u>17,454</u>	<u>89,973</u>	<u>489,097</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 400,994</u>	<u>\$ 352,069</u>	<u>\$ 364,015</u>	<u>\$ 155,930</u>	<u>\$ 1,273,008</u>

CITY OF WINTERS
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Nonmajor Revolving Loan (RLF) Special Revenue Funds
For the Fiscal Year Ended June 30, 2013

	Housing Rehabilitation RLF Fund	Home Program RLF Fund	First Time Homebuyers RLF Fund	Small Business RLF Fund	Totals
REVENUES:					
Program income	\$ -	\$ -	\$ 4,765	\$ 4,042	\$ 8,807
Use of money and property	2,122	230	12,623	2,469	17,444
TOTAL REVENUES	2,122	230	17,388	6,511	26,251
EXPENDITURES:					
Current:					
Community development					
TOTAL EXPENDITURES					
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	2,122	230	17,388	6,511	26,251
OTHER FINANCING SOURCES (USES):					
Transfers in				28,048	28,048
Transfers out	(28,837)		(64,241)		(93,078)
TOTAL OTHER FINANCING SOURCES (USES)	(28,837)		(64,241)	28,048	(65,030)
NET CHANGE IN FUND BALANCES	(26,715)	230	(46,853)	34,559	(38,779)
FUND BALANCES, JULY 1, 2012	333,359	74,796	64,307	55,414	527,876
FUND BALANCES, JUNE 30, 2013	\$ 306,644	\$ 75,026	\$ 17,454	\$ 89,973	\$ 489,097

CITY OF WINTERS
Combining Schedule of Revenues, Expenditures,
and Changes in Fund Balances
Budget and Actual - Nonmajor Revolving Loan (RLF) Revenue Funds
For the Fiscal Year Ended June 30, 2013

	Housing Program RLF Fund		
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES:			
Program income	\$ -	\$ -	\$ -
Use of money and property	282	230	(52)
TOTAL REVENUES	<u>282</u>	<u>230</u>	<u>(52)</u>
OTHER FINANCING SOURCES (USES):			
Transfers in			
TOTAL OTHER FINANCING SOURCES (USES)			
NET CHANGE IN FUND BALANCES	282	230	(52)
FUND BALANCES, JULY 1, 2012	<u>74,796</u>	<u>74,796</u>	
FUND BALANCES, JUNE 30, 2013	<u>\$ 75,078</u>	<u>\$ 75,026</u>	<u>\$ (52)</u>

Small Business RLF Fund		
Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ -	\$ 4,042	\$ 4,042
261	2,469	2,208
261	6,511	6,250
33,852	28,048	(5,804)
33,852	28,048	(5,804)
34,113	34,559	446
55,414	55,414	
<u>\$ 89,527</u>	<u>\$ 89,973</u>	<u>\$ 446</u>

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CITY OF WINTERS

NONMAJOR GOVERNMENTAL FUNDS

Debt Service Fund

Debt Service Funds are used to account for the accumulation of resources and payment of general obligation principal and interest from governmental resources.

General Debt Service Fund – This fund is used to account for payments on long-term compensated absences debt.

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CITY OF WINTERS
Schedule of Revenues, Expenditures,
and Changes in Fund Balances
Budget and Actual - Nonmajor Debt Service Fund
For the Fiscal Year Ended June 30, 2013

	<u>General Debt Service Fund</u>		
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES:			
Use of money and property	\$ 212	\$ 172	\$ (40)
TOTAL REVENUES	<u>212</u>	<u>172</u>	<u>(40)</u>
NET CHANGE IN FUND BALANCE	212	172	(40)
FUND BALANCE, JULY 1, 2012	<u>55,968</u>	<u>55,968</u>	
FUND BALANCE, JUNE 30, 2013	<u><u>\$ 56,180</u></u>	<u><u>\$ 56,140</u></u>	<u><u>\$ (40)</u></u>

CITY OF WINTERS

NONMAJOR CAPITAL PROJECTS FUNDS

Capital Projects Funds

Capital Projects Funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

The City has four (4) different types of Capital Projects Funds, which are described below.

Special Capital Funds – These funds are used to account for revenues and expenditures for specifically identified programs that are funded from specific revenue streams:

Flood Control Study Fund
General Plan 92 Fund

Other Capital Funds – These funds are used for expenditures for replacement and renovation of existing infrastructure, and renovation and building of new city facilities. The revenues for these funds are generated from operations over expenditures for those operations:

Capital Asset Replacement Fund
General Fund Capital Fund
Landfill Capital Fund
Parks and Recreation Capital Fund
Flood Control Fees Fund

Miscellaneous Capital Funds – These funds are collected for use in the development of oversized facilities by developers, which require eventual reimbursement to the installing developer. As a part of project approvals, some developers may be required to install facilities which will eventually serve other projects, thus creating a reimbursable expense. The City enters into “reimbursement agreements” which are then collected in the form of impact fees to developers whose projects are benefited by the improvement, then dispersed to the installing developer as reimbursements based on the agreements:

Raja Storm Drain Fund
Monitoring Fee Fund

Impact Fee Funds – These funds are used to collect and expend funds pursuant to the City of Winters Capital Facilities Development Study per the AB1600 legislation, as codified by California Government Section 66000 *et seq.*. These funds are collected for development and are expended for expansion of services required due to the development:

Street Impact Fees Fund
Storm Drain Impact Fees Fund
Parks and Recreation Impact Fees Fund
Police Impact Fees Fund
Fire Impact Fees Fund
General Facilities Impact Fees Fund
Water Impact Fees Fund
Sewer Impact Fees Fund

**CITY OF WINTERS
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2013**

	SPECIAL CAPITAL FUNDS		OTHER CAPITAL FUNDS	
	Flood Control Study Fund	General Plan 92 Fund	Capital Asset Replacement Fund	General Fund Capital Fund
ASSETS:				
Cash and investments	\$ 1,295	\$ -	\$ 62,801	\$ 551,276
Receivables:				
Interest receivable	1		38	356
Notes receivable		4,044		
Receivable due from successor agency trust fund		1,094,902		
Advance to other funds				
TOTAL ASSETS	\$ 1,296	\$ 1,098,946	\$ 62,839	\$ 551,632
LIABILITIES AND FUND BALANCES				
LIABILITIES:				
Deposits payable	\$ -	\$ -	\$ -	\$ -
Unearned revenue		4,044		
Due to other funds		488,932		
Advance from other funds	125,000			
TOTAL LIABILITIES	125,000	492,976		
FUND BALANCES:				
Restricted		605,970		
Committed			62,839	551,632
Unassigned	(123,704)			
TOTAL FUND BALANCES (DEFICITS)	(123,704)	605,970	62,839	551,632
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,296	\$ 1,098,946	\$ 62,839	\$ 551,632

(Continued)

CITY OF WINTERS
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2013
(Continued)

	OTHER CAPITAL FUNDS			MISCELLANEOUS FUND	
	Landfill Capital Fund	Parks and Recreation Capital Fund	Flood Control Fees Fund	RAJA Storm Drain Fund	Monitoring Fee Fund
ASSETS:					
Cash and investments	\$ 205,659	\$ -	\$ 228,935	\$ 38,478	\$ -
Receivables:					
Interest receivable	133		148	25	
Notes receivable					
Receivable due from successor agency trust fund					
Advance to other funds					
TOTAL ASSETS	<u>\$ 205,792</u>	<u>\$ -</u>	<u>\$ 229,083</u>	<u>\$ 38,503</u>	<u>\$ -</u>
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
Deposits payable	\$ -	\$ -	\$ -	\$ 9,589	\$ -
Unearned revenue					
Due to other funds					
Advance from other funds					
TOTAL LIABILITIES				<u>9,589</u>	
FUND BALANCES:					
Restricted					
Committed	205,792		229,083	28,914	
Unassigned					
TOTAL FUND BALANCES (DEFICITS)	<u>205,792</u>		<u>229,083</u>	<u>28,914</u>	
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 205,792</u>	<u>\$ -</u>	<u>\$ 229,083</u>	<u>\$ 38,503</u>	<u>\$ -</u>

IMPACT FEES FUNDS

<u>Street Fund</u>	<u>Storm Drain Fund</u>	<u>Parks and Recreation Fund</u>	<u>Police Fund</u>	<u>Fire Fund</u>	<u>General Facilities Fund</u>	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Totals</u>
\$ 632,982	\$ 159,658	\$ -	\$ 271,411	\$ 271,597	\$ 346,325	\$ 433,289	\$ 216,726	\$ 3,420,432
214	103		175	175	223	274	126	1,991
		4,159	3,567	3,567	1,463			16,800
95,000	30,000							1,094,902
<u>\$ 728,196</u>	<u>\$ 189,761</u>	<u>\$ 4,159</u>	<u>\$ 275,153</u>	<u>\$ 275,339</u>	<u>\$ 348,011</u>	<u>\$ 433,563</u>	<u>\$ 216,852</u>	<u>\$ 4,659,125</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,589
		4,159	3,567	3,567	1,463			16,800
		233,565					416,557	1,139,054
								125,000
		<u>237,724</u>	<u>3,567</u>	<u>3,567</u>	<u>1,463</u>		<u>416,557</u>	<u>1,290,443</u>
728,196	189,761		271,586	271,772	346,548	433,563		2,847,396
		(233,565)					(199,705)	1,078,260
<u>728,196</u>	<u>189,761</u>	<u>(233,565)</u>	<u>271,586</u>	<u>271,772</u>	<u>346,548</u>	<u>433,563</u>	<u>(199,705)</u>	<u>3,368,682</u>
<u>\$ 728,196</u>	<u>\$ 189,761</u>	<u>\$ 4,159</u>	<u>\$ 275,153</u>	<u>\$ 275,339</u>	<u>\$ 348,011</u>	<u>\$ 433,563</u>	<u>\$ 216,852</u>	<u>\$ 4,659,125</u>

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CITY OF WINTERS
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Fiscal Year Ended June 30, 2013

	<u>SPECIAL CAPITAL FUNDS</u>		<u>OTHER CAPITAL FUNDS</u>	
	<u>Flood Control Study Fund</u>	<u>General Plan 92 Fund</u>	<u>Capital Asset Replacement Fund</u>	<u>General Fund Capital Fund</u>
REVENUES:				
Licenses, fees, and permits	\$ -	\$ -	\$ 8,623	\$ -
Use of money and property	4		172	1,689
Other revenue				
TOTAL REVENUES	<u>4</u>		<u>8,795</u>	<u>1,689</u>
EXPENDITURES:				
Current:				
Public safety				
Public works				
Parks and recreation				
Capital outlay				
TOTAL EXPENDITURES				
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>4</u>		<u>8,795</u>	<u>1,689</u>
OTHER FINANCING SOURCES (USES):				
Transfers in		1,211		
Transfers out				
TOTAL OTHER FINANCING SOURCES (USES)		<u>1,211</u>		
NET CHANGES IN FUND BALANCE	<u>4</u>	<u>1,211</u>	<u>8,795</u>	<u>1,689</u>
FUND BALANCES (DEFICITS), JULY 1, 2012	(123,708)	211,759	54,044	549,943
PRIOR PERIOD ADJUSTMENT		<u>393,000</u>		
FUND BALANCES (DEFICITS), JULY 1, 2012, RESTATED	<u>(123,708)</u>	<u>604,759</u>	<u>54,044</u>	<u>549,943</u>
FUND BALANCES (DEFICITS), JUNE 30, 2013	<u>\$ (123,704)</u>	<u>\$ 605,970</u>	<u>\$ 62,839</u>	<u>\$ 551,632</u>

(Continued)

CITY OF WINTERS
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Fiscal Year Ended June 30, 2013
(CONTINUED)

	OTHER CAPITAL FUNDS			MISCELLANEOUS FUNDS	
	Landfill Capital Fund	Parks and Recreation Capital Fund	Flood Control Fees Fund	RAJA Storm Drain Fund	Monitoring Fee Fund
REVENUES:					
Licenses, fees, and permits	\$ -	\$ -	\$ 55,148	\$ -	\$ 1,211
Use of money and property	636	12	652	118	
Other revenue					
TOTAL REVENUES	<u>636</u>	<u>12</u>	<u>55,800</u>	<u>118</u>	<u>1,211</u>
EXPENDITURES:					
Current:					
Public safety					
Public works					
Parks and recreation	7,435				
Capital outlay					
TOTAL EXPENDITURES	<u>7,435</u>				
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(6,799)</u>	<u>12</u>	<u>55,800</u>	<u>118</u>	<u>1,211</u>
OTHER FINANCING SOURCES (USES):					
Transfers in					
Transfers out		(6,714)			(1,211)
TOTAL OTHER FINANCING SOURCES (USES)		<u>(6,714)</u>			<u>(1,211)</u>
NET CHANGES IN FUND BALANCE	<u>(6,799)</u>	<u>(6,702)</u>	<u>55,800</u>	<u>118</u>	
FUND BALANCES (DEFICITS), JULY 1, 2012	212,591	6,702	173,283	28,796	
PRIOR PERIOD ADJUSTMENT					
FUND BALANCES (DEFICITS), JULY 1, 2012, RESTATED	<u>212,591</u>	<u>6,702</u>	<u>173,283</u>	<u>28,796</u>	
FUND BALANCES (DEFICITS), JUNE 30, 2013	<u>\$ 205,792</u>	<u>\$ -</u>	<u>\$ 229,083</u>	<u>\$ 28,914</u>	<u>\$ -</u>

IMPACT FEES FUNDS

Street Fund	Storm Drain Fund	Parks and Recreation Fund	Police Fund	Fire Fund	General Facilities Fund	Water Fund	Sewer Fund	Totals
\$ 21,931	\$ 1,656	\$ 2,131	\$ 2,916	\$ 5,366	\$ 11,039	\$ 19,593	\$ 41,663	\$ 171,277
1,817	494	660	889	838	1,056	1,293	857	11,187
51,112							27,014	78,126
<u>74,860</u>	<u>2,150</u>	<u>2,791</u>	<u>3,805</u>	<u>6,204</u>	<u>12,095</u>	<u>20,886</u>	<u>69,534</u>	<u>260,590</u>
			11,797	12,046	5,204			29,047
5,204	5,204					5,383	5,204	20,995
		5,204						12,639
<u>101,280</u>	<u></u>	<u></u>	<u>27,685</u>	<u></u>	<u></u>	<u>229,309</u>	<u>281,577</u>	<u>639,851</u>
<u>106,484</u>	<u>5,204</u>	<u>5,204</u>	<u>39,482</u>	<u>12,046</u>	<u>5,204</u>	<u>234,692</u>	<u>286,781</u>	<u>702,532</u>
<u>(31,624)</u>	<u>(3,054)</u>	<u>(2,413)</u>	<u>(35,677)</u>	<u>(5,842)</u>	<u>6,891</u>	<u>(213,806)</u>	<u>(217,247)</u>	<u>(441,942)</u>
								1,211
		<u>(615,522)</u>						<u>(623,447)</u>
		<u>(615,522)</u>						<u>(622,236)</u>
<u>(31,624)</u>	<u>(3,054)</u>	<u>(617,935)</u>	<u>(35,677)</u>	<u>(5,842)</u>	<u>6,891</u>	<u>(213,806)</u>	<u>(217,247)</u>	<u>(1,064,178)</u>
<u>759,820</u>	<u>192,815</u>	<u>384,370</u>	<u>307,263</u>	<u>277,614</u>	<u>339,657</u>	<u>647,369</u>	<u>17,542</u>	<u>4,039,860</u>
								393,000
<u>759,820</u>	<u>192,815</u>	<u>384,370</u>	<u>307,263</u>	<u>277,614</u>	<u>339,657</u>	<u>647,369</u>	<u>17,542</u>	<u>4,432,860</u>
<u>\$ 728,196</u>	<u>\$ 189,761</u>	<u>\$ (233,565)</u>	<u>\$ 271,586</u>	<u>\$ 271,772</u>	<u>\$ 346,548</u>	<u>\$ 433,563</u>	<u>\$ (199,705)</u>	<u>\$ 3,368,682</u>

CITY OF WINTERS
Combining Schedule of Revenues, Expenditures,
and Changes in Fund Balances
Budget and Actual - Nonmajor Capital Projects Funds
For the Fiscal Year Ended June 30, 2013

	Flood Control Study Fund		
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES:			
License, fees, and permits	\$ -	\$ -	\$ -
Use of money and property	5	4	(1)
Other revenue			
TOTAL REVENUES	5	4	(1)
EXPENDITURES:			
Current:			
Public safety			
Public works			
Parks and recreation			
Capital outlay			
TOTAL EXPENDITURES			
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	5	4	(1)
OTHER FINANCING SOURCES (USES):			
Transfers in			
Transfers out			
TOTAL OTHER FINANCING SOURCES (USES)			
NET CHANGE IN FUND BALANCES	5	4	(1)
FUND BALANCES (DEFICITS), JULY 1, 2012	(123,708)	(123,708)	
PRIOR PERIOD ADJUSTMENTS			
FUND BALANCES (DEFICITS), JULY 1, 2012, RESTATED	(123,708)	(123,708)	
FUND BALANCES (DEFICITS), JUNE 30, 2013	\$ (123,703)	\$ (123,704)	\$ (1)

General Plan 92 Fund			Capital Asset Replacement Fund		
Final Budget	Actual	Variance with Final Budget Positive (Negative)	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ -	\$ -	\$ -	\$ 500 90	\$ 8,623 172	\$ 8,123 82
			590	8,795	8,205
			2,500		2,500
			2,500		2,500
			(1,910)	8,795	10,705
34,780	1,211	(33,569)			
34,780	1,211	(33,569)			
34,780	1,211	(33,569)	(1,910)	8,795	10,705
211,759	211,759		54,044	54,044	
	393,000	393,000			
211,759	604,759	393,000	54,044	54,044	
\$ 246,539	\$ 605,970	\$ 359,431	\$ 52,134	\$ 62,839	\$ 10,705

(Continued)

CITY OF WINTERS
Combining Schedule of Revenues, Expenditures,
and Changes in Fund Balances
Budget and Actual - Nonmajor Capital Projects Funds
For the Fiscal Year Ended June 30, 2013
(Continued)

	General Fund Capital Fund		
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES:			
License, fees, and permits	\$ -	\$ -	\$ -
Use of money and property	2,085	1,689	(396)
Other revenue			
TOTAL REVENUES	2,085	1,689	(396)
EXPENDITURES:			
Current:			
Public safety			
Public works			
Parks and recreation			
Capital outlay			
TOTAL EXPENDITURES			
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	2,085	1,689	(396)
OTHER FINANCING SOURCES (USES):			
Transfers in			
Transfers out			
TOTAL OTHER FINANCING SOURCES (USES)			
NET CHANGE IN FUND BALANCES	2,085	1,689	(396)
FUND BALANCES (DEFICITS), JULY 1, 2012	549,943	549,943	
PRIOR PERIOD ADJUSTMENTS			
FUND BALANCES (DEFICITS), JULY 1, 2012, RESTATED	549,943	549,943	
FUND BALANCES (DEFICITS), JUNE 30, 2013	\$ 552,028	\$ 551,632	\$ (396)

Landfill Capital Fund			Parks and Recreation Capital Fund		
Final Budget	Actual	Variance with Final Budget Positive (Negative)	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
820	636	(184)	29	12	(17)
820	636	(184)	29	12	(17)
16,500	7,435	9,065			
16,500	7,435	9,065			
(15,680)	(6,799)	8,881	29	12	(17)
				(6,714)	(6,714)
				(6,714)	(6,714)
(15,680)	(6,799)	8,881	29	(6,702)	(6,731)
212,591	212,591		6,702	6,702	
212,591	212,591		6,702	6,702	
\$ 196,911	\$ 205,792	\$ 8,881	\$ 6,731	\$ -	\$ (6,731)

(Continued)

CITY OF WINTERS
Combining Schedule of Revenues, Expenditures,
and Changes in Fund Balances
Budget and Actual - Nonmajor Capital Projects Funds
For the Fiscal Year Ended June 30, 2013
(Continued)

	RAJA Storm Drain Fund		
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES:			
License, fees, and permits	\$ -	\$ -	\$ -
Use of money and property	246	118	(128)
Other revenue			
TOTAL REVENUES	246	118	(128)
EXPENDITURES:			
Current:			
Public safety			
Public works			
Parks and recreation			
Capital outlay			
TOTAL EXPENDITURES			
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	246	118	(128)
OTHER FINANCING SOURCES (USES):			
Transfers in			
Transfers out			
TOTAL OTHER FINANCING SOURCES (USES)			
NET CHANGE IN FUND BALANCES	246	118	(128)
FUND BALANCES (DEFICITS), JULY 1, 2012	28,796	28,796	
PRIOR PERIOD ADJUSTMENTS			
FUND BALANCES (DEFICITS), JULY 1, 2012, RESTATED	28,796	28,796	
FUND BALANCES (DEFICITS), JUNE 30, 2013	\$ 29,042	\$ 28,914	\$ (128)

Monitoring Fee Fund			Street Impact Fees Fund		
Final Budget	Actual	Variance with Final Budget Positive (Negative)	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 34,780	\$ 1,211	\$ (33,569)	\$ 152,163	\$ 21,931	\$ (130,232)
			2,226	1,817	(409)
				51,112	51,112
34,780	1,211	(33,569)	154,389	74,860	(79,529)
				5,204	(5,204)
			434,116	101,280	332,836
			434,116	106,484	327,632
34,780	1,211	(33,569)	(279,727)	(31,624)	248,103
	(1,211)	(1,211)			
	(1,211)	(1,211)			
34,780		(34,780)	(279,727)	(31,624)	248,103
			759,820	759,820	
			759,820	759,820	
\$ 34,780	\$ -	\$ (34,780)	\$ 480,093	\$ 728,196	\$ 248,103

(Continued)

CITY OF WINTERS
Combining Schedule of Revenues, Expenditures,
and Changes in Fund Balances
Budget and Actual - Nonmajor Capital Projects Funds
For the Fiscal Year Ended June 30, 2013
(Continued)

	Storm Drain Impact Fees Fund		
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES:			
License, fees, and permits	\$ 98,788	\$ 1,656	\$ (97,132)
Use of money and property	317	494	177
Other revenue			
TOTAL REVENUES	99,105	2,150	(96,955)
EXPENDITURES:			
Current:			
Public safety			
Public works		5,204	(5,204)
Parks and recreation			
Capital outlay			
TOTAL EXPENDITURES		5,204	(5,204)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	99,105	(3,054)	(102,159)
OTHER FINANCING SOURCES (USES):			
Transfers in			
Transfers out			
TOTAL OTHER FINANCING SOURCES (USES)			
NET CHANGE IN FUND BALANCES	99,105	(3,054)	(102,159)
FUND BALANCES (DEFICITS), JULY 1, 2012	192,815	192,815	
PRIOR PERIOD ADJUSTMENTS			
FUND BALANCES (DEFICITS), JULY 1, 2012, RESTATED	192,815	192,815	
FUND BALANCES (DEFICITS), JUNE 30, 2013	\$ 291,920	\$ 189,761	\$ (102,159)

Parks and Recreation Impact Fees Fund			Police Impact Fees Fund		
Final Budget	Actual	Variance with Final Budget Positive (Negative)	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ -	\$ 2,131	\$ 2,131	\$ 27,172	\$ 2,916	\$ (24,256)
1,918	660	(1,258)	1,319	889	(430)
1,918	2,791	873	28,491	3,805	(24,686)
				11,797	(11,797)
626,960	5,204	621,756	54,000	27,685	26,315
626,960	5,204	621,756	54,000	39,482	14,518
(625,042)	(2,413)	622,629	(25,509)	(35,677)	(10,168)
	(615,522)	(615,522)			
	(615,522)	(615,522)			
(625,042)	(617,935)	7,107	(25,509)	(35,677)	(10,168)
384,370	384,370		307,263	307,263	
384,370	384,370		307,263	307,263	
\$ (240,672)	\$ (233,565)	\$ 7,107	\$ 281,754	\$ 271,586	\$ (10,168)

(Continued)

CITY OF WINTERS
Combining Schedule of Revenues, Expenditures,
and Changes in Fund Balances
Budget and Actual - Nonmajor Capital Projects Funds
For the Fiscal Year Ended June 30, 2013
(Continued)

	Fire Impact Fees Fund		
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES:			
License, fees, and permits	\$ 55,974	\$ 5,366	\$ (50,608)
Use of money and property		838	838
Other revenue			
TOTAL REVENUES	55,974	6,204	(49,770)
EXPENDITURES:			
Current:			
Public safety		12,046	(12,046)
Public works			
Parks and recreation			
Capital outlay			
TOTAL EXPENDITURES		12,046	(12,046)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	55,974	(5,842)	(61,816)
OTHER FINANCING SOURCES (USES):			
Transfers in			
Transfers out			
TOTAL OTHER FINANCING SOURCES (USES)			
NET CHANGE IN FUND BALANCES	55,974	(5,842)	(61,816)
FUND BALANCES (DEFICITS), JULY 1, 2012	277,614	277,614	
PRIOR PERIOD ADJUSTMENTS			
FUND BALANCES (DEFICITS), JULY 1, 2012, RESTATED	277,614	277,614	
FUND BALANCES (DEFICITS), JUNE 30, 2013	\$ 333,588	\$ 271,772	\$ (61,816)

General Facilities Impact Fees Fund			Water Impact Fees Fund		
Final Budget	Actual	Variance with Final Budget Positive (Negative)	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 101,080	\$ 11,039	\$ (90,041)	\$ 55,974	\$ 19,593	\$ (36,381)
1,301	1,056	(245)	2,766	1,293	(1,473)
102,381	12,095	(90,286)	58,740	20,886	(37,854)
	5,204	(5,204)		5,383	(5,383)
			429,309	229,309	200,000
	5,204	(5,204)	429,309	234,692	194,617
102,381	6,891	(95,490)	(370,569)	(213,806)	156,763
102,381	6,891	(95,490)	(370,569)	(213,806)	156,763
339,657	339,657		647,369	647,369	
339,657	339,657		647,369	647,369	
\$ 442,038	\$ 346,548	\$ (95,490)	\$ 276,800	\$ 433,563	\$ 156,763

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CITY OF WINTERS
Combining Schedule of Revenues, Expenditures,
and Changes in Fund Balances
Budget and Actual - Nonmajor Capital Projects Funds
For the Fiscal Year Ended June 30, 2013
(Continued)

	Sewer Impact Fees Fund		
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES:			
License, fees, and permits	\$ 108,145	\$ 41,663	\$ (66,482)
Use of money and property	1,645	857	(788)
Other revenue		27,014	27,014
TOTAL REVENUES	109,790	69,534	(40,256)
EXPENDITURES:			
Current:			
Public safety			
Public works		5,204	(5,204)
Parks and recreation			
Capital outlay	493,672	281,577	212,095
TOTAL EXPENDITURES	493,672	286,781	206,891
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(383,882)	(217,247)	166,635
OTHER FINANCING SOURCES (USES):			
Transfers in			
Transfers out			
TOTAL OTHER FINANCING SOURCES (USES)			
NET CHANGE IN FUND BALANCES	(383,882)	(217,247)	166,635
FUND BALANCES (DEFICITS), JULY 1, 2012	17,542	17,542	
PRIOR PERIOD ADJUSTMENTS			
FUND BALANCES (DEFICITS), JULY 1, 2012, RESTATED	17,542	17,542	
FUND BALANCES (DEFICITS), JUNE 30, 2013	\$ (366,340)	\$ (199,705)	\$ 166,635

CITY OF WINTERS

Private-Purpose Trust Funds

Private-Purpose Trust Funds are used to account for assets and liabilities held by the City of Winters in a trustee capacity.

RDA Low/Mod Successor Agency Fund – This fund was used to account for the long-term debt related to the low and moderate income housing activities of the former Redevelopment Agency of the City of Winters.

RDA Successor Agency Fund – This fund is used to account for all non-housing activities of the former Redevelopment Agency of the City of Winters.

Agency Funds

Agency Funds are used to account for assets held by the City of Winters in a purely custodial capacity. Agency Funds typically involve only the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments.

Winters Library Agency Fund – This fund is used to account for funds donated by Margaret Parsons for the building of a new library and Arts Center for the City of Winters.

Swim Team Agency Fund – This fund is used to account for the financial transactions of the Winters Swim Team. This organization was included as a City function in July 2003 for the first time.

Festival De La Agency Fund – This fund is used to account for the Hispanic Advisory Committee expenditures for the Festival held each September.

Quilt Festival Agency Fund – This fund is used to account for the revenues and expenditures of the annual June quilt show sponsored by the City of Winters, the Winters Chamber of Commerce, and the Cloth Carousel.

CITY OF WINTERS
Private-Purpose Trust Funds
Combining Statement of Net Position
June 30, 2013

	RDA Low/Mod Successor Agency Fund	RDA Successor Agency Fund	Totals
ASSETS:			
Cash and investments	\$ -	\$ 1,278,274	\$ 1,278,274
Accounts receivable		204	204
Interest receivable		6,674	6,674
Deferred charges		770,409	770,409
Notes receivable		66,600	66,600
Capital assets, net of accumulated depreciation		13,980,165	13,980,165
TOTAL ASSETS	\$ -	\$ 16,102,326	\$ 16,102,326
LIABILITIES:			
Accounts payable	\$ -	\$ 1,867	\$ 1,867
Interest payable		236,413	236,413
Long-term debt, due within one year		515,000	515,000
Long-term debt, due in more than one year		18,387,723	18,387,723
TOTAL LIABILITIES		19,141,003	19,141,003
NET POSITION			
Unrestricted		(3,038,677)	(3,038,677)
TOTAL NET POSITION (DEFICIT)	\$ -	\$ (3,038,677)	\$ (3,038,677)

CITY OF WINTERS
Private-Purpose Trust Funds
Combining Statement of Changes in Net Position
For the Fiscal Year Ended June 30, 2013

	RDA Low/Mod Successor Agency Fund	RDA Successor Agency Fund	Totals
ADDITIONS:			
Investment revenue	\$ 63,369	\$ 36,174	\$ 99,543
Taxes and assessments		1,097,497	1,097,497
Transfer from trust fund	4,345,000	218,246	4,563,246
TOTAL ADDITIONS	4,408,369	1,351,917	5,760,286
DEDUCTIONS:			
Depreciation and amortization		304,107	304,107
Community development		271,320	271,320
Interest expense		775,521	775,521
Transfer to trust fund	218,246	4,345,000	4,563,246
TOTAL DEDUCTIONS	218,246	5,695,948	5,914,194
CHANGE IN NET POSITION	4,190,123	(4,344,031)	(153,908)
NET POSITION (DEFICIT) - JULY 1, 2012	(4,190,123)	1,305,354	(2,884,769)
NET POSITION (DEFICIT) - JUNE 30, 2013	\$ -	\$ (3,038,677)	\$ (3,038,677)

CITY OF WINTERS
Combining Statement of Assets and Liabilities
Agency Funds
June 30, 2013

	<u>Winters Library Fund</u>	<u>Swim Team Fund</u>	<u>Festival De La Fund</u>	<u>Quilt Festival Fund</u>	<u>Totals</u>
ASSETS					
Cash and investments	\$ 53,987	\$ 83,472	\$ 2,777	\$ 321	\$ 140,557
Interest receivable	35	54			89
TOTAL ASSETS	<u>\$ 54,022</u>	<u>\$ 83,526</u>	<u>\$ 2,777</u>	<u>\$ 321</u>	<u>\$ 140,646</u>
LIABILITIES					
Accounts payable	\$ -	\$ 8,000	\$ -	\$ 597	\$ 8,597
Due to other agencies	54,022	75,526	2,777	(276)	132,049
TOTAL LIABILITIES	<u>\$ 54,022</u>	<u>\$ 83,526</u>	<u>\$ 2,777</u>	<u>\$ 321</u>	<u>\$ 140,646</u>

CITY OF WINTERS
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Fiscal Year Ended June 30, 2013

	<u>Balance at July 1, 2012</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at June 30, 2013</u>
<u>WINTERS LIBRARY FUND:</u>				
ASSETS				
Cash and investments	\$ 53,809	\$ 178	\$ -	\$ 53,987
Interest receivable	47	35	(47)	35
TOTAL ASSETS	<u>\$ 53,856</u>	<u>\$ 213</u>	<u>\$ (47)</u>	<u>\$ 54,022</u>
LIABILITIES				
Due to other agencies	\$ 53,856	\$ 213	\$ (47)	\$ 54,022
TOTAL LIABILITIES	<u>\$ 53,856</u>	<u>\$ 213</u>	<u>\$ (47)</u>	<u>\$ 54,022</u>
<u>SWIM TEAM FUND:</u>				
ASSETS				
Cash and investments	\$ 88,482	\$ 32,484	\$ (37,494)	\$ 83,472
Interest receivable	76	54	(76)	54
TOTAL ASSETS	<u>\$ 88,558</u>	<u>\$ 32,538</u>	<u>\$ (37,570)</u>	<u>\$ 83,526</u>
LIABILITIES				
Accounts payable	\$ 3,927	\$ 4,073	\$ -	\$ 8,000
Due to other agencies	84,631	28,465	(37,570)	75,526
TOTAL LIABILITIES	<u>\$ 88,558</u>	<u>\$ 32,538</u>	<u>\$ (37,570)</u>	<u>\$ 83,526</u>

(Continued)

CITY OF WINTERS
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Fiscal Year Ended June 30, 2013
(CONTINUED)

	Balance at July 1, 2012	Additions	Deletions	Balance at June 30, 2013
FESTIVAL DE LA FUND:				
ASSETS				
Cash and investments	\$ 2,403	\$ 2,777	\$ (2,403)	\$ 2,777
Interest receivable	2		(2)	
TOTAL ASSETS	\$ 2,405	\$ 2,777	\$ (2,405)	\$ 2,777
LIABILITIES				
Due to other agencies	\$ 2,405	\$ 2,777	\$ (2,405)	\$ 2,777
QUILT FESTIVAL:				
ASSETS				
Cash and investments	\$ 521	\$ 726	\$ (926)	\$ 321
Interest receivable	1		(1)	
TOTAL ASSETS	\$ 522	\$ 726	\$ (927)	\$ 321
LIABILITIES				
Accounts payable	\$ 88	\$ 597	\$ (88)	\$ 597
Due to other agencies	434	129	(839)	(276)
TOTAL LIABILITIES	\$ 522	\$ 726	\$ (927)	\$ 321
TOTAL AGENCY FUNDS				
ASSETS				
Cash and investments	\$ 145,215	\$ 36,165	\$ (40,823)	\$ 140,557
Interest receivable	126	89	(126)	89
TOTAL ASSETS	\$ 145,341	\$ 36,254	\$ (40,949)	\$ 140,646
LIABILITIES				
Accounts payable	\$ 4,015	\$ 4,670	\$ (88)	\$ 8,597
Due to other agencies	141,326	31,584	(40,861)	132,049
	\$ 145,341	\$ 36,254	\$ (40,949)	\$ 140,646

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Statistical Section

Statistical Section

This part of the City of Winters Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader understand the City's most significant local revenue source, property taxes.

Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current level of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

CITY OF WINTERS, CALIFORNIA

NET POSITION BY COMPONENT LAST TEN FISCAL YEARS (accrual basis of accounting)

	Fiscal Year Ended June 30,				
	2004	2005	2006	2007	2008
GOVERNMENTAL ACTIVITIES:					
Net investment in capital assets	\$ 3,208,569	\$ -	\$ (997,447)	\$ 2,380,494	\$ 7,044,817
Restricted	4,295,857	3,933,274	3,812,117	5,235,360	6,532,953
Unrestricted	6,594,044	11,205,077	14,277,490	14,656,092	9,927,205
TOTAL GOVERNMENTAL ACTIVITIES	14,098,470	15,138,351	17,092,160	22,271,946	23,504,975
BUSINESS-TYPE ACTIVITIES:					
Net investment in capital assets	1,626,987	1,774,986	1,748,464	1,987,463	2,116,498
Restricted	1,485,982	1,543,992	1,612,418	1,145,478	566,410
Unrestricted	1,485,982	1,543,992	1,612,418	1,145,478	566,410
TOTAL BUSINESS-TYPE ACTIVITIES	3,112,969	3,318,978	3,360,882	3,132,941	2,682,908
PRIMARY GOVERNMENT:					
Net investment in capital assets	4,835,556	1,774,986	751,017	4,367,957	9,161,315
Restricted	4,295,857	3,933,274	3,812,117	5,235,360	6,532,953
Unrestricted	8,080,026	12,749,069	15,889,908	15,801,570	10,493,615
TOTAL PRIMARY GOVERNMENT	\$ 17,211,439	\$ 18,457,329	\$ 20,453,042	\$ 25,404,887	\$ 26,187,883

Fiscal Year Ended June 30,

<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
\$ 8,936,433	\$ 8,181,857	\$ 8,699,018	\$ 9,652,796	\$ 10,809,780
13,677,650	9,367,303	5,167,265	6,777,763	9,641,029
<u>(1,305,148)</u>	<u>1,628,706</u>	<u>6,632,851</u>	<u>6,241,918</u>	<u>1,976,314</u>
<u>21,308,935</u>	<u>19,177,866</u>	<u>20,499,134</u>	<u>22,672,477</u>	<u>22,427,123</u>
1,844,816	1,736,566	1,681,730	3,595,646	2,407,222
5,717,324	4,171,609			
<u>(4,101,359)</u>	<u>(1,485,296)</u>	<u>2,877,523</u>	<u>2,381,096</u>	<u>3,986,369</u>
<u>3,460,781</u>	<u>4,422,879</u>	<u>4,559,253</u>	<u>5,976,742</u>	<u>6,393,591</u>
10,781,249	9,918,423	10,380,748	13,248,422	13,217,002
19,394,974	13,538,912	5,167,265	6,777,763	9,641,029
<u>(5,406,507)</u>	<u>143,410</u>	<u>9,510,374</u>	<u>8,623,014</u>	<u>5,962,683</u>
<u>\$ 24,769,716</u>	<u>\$ 23,600,745</u>	<u>\$ 25,058,387</u>	<u>\$ 28,649,199</u>	<u>\$ 28,820,714</u>

CITY OF WINTERS, CALIFORNIA

CHANGES IN NET POSITION LAST TEN FISCAL YEARS (accrual basis of accounting)

	Fiscal Year Ended June 30,			
	2004	2005	2006	2007
EXPENSES:				
GOVERNMENTAL ACTIVITIES:				
General government	\$ 819,541	\$ 1,514,288	\$ 1,010,123	\$ 1,270,036
Public works	324,881	622,305	291,343	266,764
Public safety	1,424,898	1,631,247	1,805,197	2,264,099
Cultural and recreation	197,459	302,299	209,039	253,530
Community development	285,819	439,246	1,177,004	1,783,897
Parks	58,797	73,615	394,202	459,383
Streets and highways	417,247	249,976	95,709	101,448
Public transportation	102,424	110,276	122,406	
Pass through agreements	261,311	342,940		
Interest on long-term debt	96,301	292,755	289,113	456,876
TOTAL GOVERNMENTAL ACTIVITIES	3,988,678	5,578,947	5,394,136	6,856,033
BUSINESS-TYPE ACTIVITIES:				
Water	582,259	613,920	568,433	651,194
Sewer	712,900	783,042	821,800	1,105,717
TOTAL BUSINESS ACTIVITIES	1,295,159	1,396,962	1,390,233	1,756,911
TOTAL PRIMARY GOVERNMENT EXPENSES	5,283,837	6,975,909	6,784,369	8,612,944
PROGRAM REVENUES:				
GOVERNMENTAL ACTIVITIES:				
Charges for services				
General government	446,063	246,864	238,085	61,589
Public works	404,351	261,183	30,890	380,446
Public safety	137,825	79,922	15,389	153,388
Cultural and recreation	212,607	65,817	12,222	163,563
Community development	494,435	446,116	440,539	588,448
Parks				
Streets and highways	318,179			
Operating contributions and grants	177,979	137,931	112,674	3,254,278
Capital contributions and grants	398,162	209,739	1,142,084	1,717,055
TOTAL GOVERNMENTAL ACTIVITIES	2,589,601	1,447,572	1,991,883	6,318,767
BUSINESS-TYPE ACTIVITIES:				
Charges for services				
Water	507,758	547,467	624,342	712,125
Sewer	653,370	709,034	760,127	820,894
Capital contributions and grants				
TOTAL BUSINESS-TYPE ACTIVITIES	1,161,128	1,256,501	1,384,469	1,533,019
TOTAL PRIMARY GOVERNMENT REVENUES	\$ 3,750,729	\$ 2,704,073	\$ 3,376,352	\$ 7,851,786
NET (EXPENSE) REVENUES:				
Governmental activities	\$ (1,399,077)	\$ (4,131,375)	\$ (3,402,253)	\$ (537,266)
Business-type activities	(134,031)	(140,461)	(5,764)	(223,892)
TOTAL PRIMARY GOVERNMENT NET EXPENSES	\$ (1,533,108)	\$ (4,271,836)	\$ (3,408,017)	\$ (761,158)

Fiscal Year Ended June 30,					
2008	2009	2010	2011	2012	2013
\$ 1,318,150	\$ 2,677,075	\$ 1,044,194	\$ 365,754	\$ 320,983	\$ 349,842
215,673	615,937	627,898	313,127	1,496,172	739,622
2,376,129	2,370,883	2,404,697	2,365,123	2,939,539	2,947,065
407,454	394,294	316,619	662,484	712,628	663,801
717,669	1,322,095	3,102,948	1,616,007	937,790	499,056
632,736	635,505	358,626			
368,273	297,171	144,062	362,125	406,860	366,085
	360,476	308,024			
665,197	773,758	764,964	778,274	495,130	
<u>6,701,281</u>	<u>9,447,194</u>	<u>9,072,032</u>	<u>6,462,894</u>	<u>7,309,102</u>	<u>5,565,471</u>
1,016,474	454,298	521,751	1,752,536	1,191,159	1,249,358
1,382,370	621,766	623,110	1,241,718	1,607,864	1,490,721
<u>2,398,844</u>	<u>1,076,064</u>	<u>1,144,861</u>	<u>2,994,254</u>	<u>2,799,023</u>	<u>2,740,079</u>
<u>9,100,125</u>	<u>10,523,258</u>	<u>10,216,893</u>	<u>9,457,148</u>	<u>10,108,125</u>	<u>8,305,550</u>
80,698	85,881	113,736	111,930	6,394	8,901
23,391	115,535	80,441	32,057	24,540	109,232
66,761	33,437	17,024	8,802	318,782	331,534
77,751	61,780	65,441	87,593	64,506	75,622
90,214	4,157	3,061	205,692	101,368	154,549
16,766					
732,097	1,189,158	1,048,546	1,102,329	454,489	412,573
1,169,132	301,536	998,427	1,396,248	903,837	1,635,819
<u>2,256,810</u>	<u>1,791,484</u>	<u>2,326,676</u>	<u>2,944,651</u>	<u>1,873,916</u>	<u>2,728,230</u>
916,242	941,612	1,017,580	1,196,068	1,132,901	1,266,720
1,011,084	1,048,742	1,209,549	1,330,624	1,602,043	1,564,279
				1,458,688	510,886
<u>1,927,326</u>	<u>1,990,354</u>	<u>2,227,129</u>	<u>2,526,692</u>	<u>4,193,632</u>	<u>3,341,885</u>
<u>\$ 4,184,136</u>	<u>\$ 3,781,838</u>	<u>\$ 4,553,805</u>	<u>\$ 5,471,343</u>	<u>\$ 6,067,548</u>	<u>\$ 6,070,115</u>
\$(4,444,471)	\$(7,655,710)	\$(6,745,356)	\$(3,518,243)	\$(5,435,186)	\$(2,837,241)
(471,518)	914,290	1,082,268	(467,562)	1,394,609	601,806
<u>\$(4,915,989)</u>	<u>\$(6,741,420)</u>	<u>\$(5,663,088)</u>	<u>\$(3,985,805)</u>	<u>\$(4,040,577)</u>	<u>\$(2,235,435)</u>

continued

CITY OF WINTERS, CALIFORNIA

CHANGES IN NET POSITION LAST TEN FISCAL YEARS (accrual basis of accounting)

	Fiscal Year Ended June 30,			
	2004	2005	2006	2007
GENERAL REVENUES AND OTHER CHANGES IN NET ASSETS:				
GOVERNMENTAL ACTIVITIES:				
Taxes				
Property taxes	\$ 1,986,828	\$ 2,621,091	\$ 3,132,212	\$ 3,291,501
Sales and use taxes	311,677	295,197	315,794	276,539
Franchise fees	169,634	165,242	191,511	187,939
Other taxes	960,625	889,765	849,895	837,652
Motor vehicle in-lieu	320,234	156,491	22,002	46,898
Investment income	156,777	435,019	706,759	889,692
Developer contributions		456,890		
Transfers				50,128
Other revenues	179,804	151,561	137,889	136,703
TOTAL GOVERNMENTAL ACTIVITIES	4,085,579	5,171,256	5,356,062	5,717,052
BUSINESS-TYPE ACTIVITIES:				
Property taxes	24,002	28,775	23,537	23,451
Investment income	7,118	17,032	24,131	22,628
Transfers				(50,128)
Developer contributions	16,648	300,663		
Other revenues				
TOTAL BUSINESS-TYPE ACTIVITIES	47,768	346,470	47,668	(4,049)
TOTAL PRIMARY GOVERNMENT REVENUES	\$ 4,133,347	\$ 5,517,726	\$ 5,403,730	\$ 5,713,003
CHANGES IN NET POSITION:				
Governmental activities	2,686,502	1,039,881	1,953,809	5,179,786
Business type activities	(86,263)	206,009	41,904	(227,941)
Gain on Transfer of Assets & Liabilities to Successor Agency				
Prior Period Adjustments				
TOTAL PRIMARY GOVERNMENT	\$ 2,600,239	\$ 1,245,890	\$ 1,995,713	\$ 4,951,845

Fiscal Year Ended June 30,					
2008	2009	2010	2011	2012	2013
\$ 2,996,227	\$ 3,409,220	\$ 3,027,868	\$ 2,974,549	\$ 2,103,907	\$ 1,429,395
344,136	288,748	242,257	295,215	374,975	408,845
218,521	209,913	203,985	224,608	228,129	230,805
721,127	722,778	665,333	1,225,801	969,098	1,023,096
29,750	26,418	21,071	32,026	3,511	3,639
1,200,495	615,206	(13,275)	144,210	163,862	128,124
98,884	491,144	131,261			190,314
68,360	27,339	335,787	91,936	894,477	187,941
<u>5,677,500</u>	<u>5,790,766</u>	<u>4,614,287</u>	<u>4,988,345</u>	<u>4,737,959</u>	<u>3,602,159</u>
120,367	38,991	13,275	1,810	22,880	5,357
(98,884)	(491,144)				(190,314)
		(131,261)			
	41,908	(2,184)			
<u>21,483</u>	<u>(410,245)</u>	<u>(120,170)</u>	<u>1,810</u>	<u>22,880</u>	<u>(184,957)</u>
<u>\$ 5,698,983</u>	<u>\$ 5,380,521</u>	<u>\$ 4,494,117</u>	<u>\$ 4,990,155</u>	<u>\$ 4,760,839</u>	<u>\$ 3,417,202</u>
1,233,029	(1,864,944)	(2,131,069)	1,470,102	(697,227)	764,918
(450,035)	504,045	962,098	(465,752)	1,417,489	416,849
				3,590,832	
					(1,010,272)
<u>\$ 782,994</u>	<u>\$(1,360,899)</u>	<u>\$(1,168,971)</u>	<u>\$ 1,004,350</u>	<u>\$ 4,311,094</u>	<u>\$ 171,495</u>

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CITY OF WINTERS, CALIFORNIA

GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(accrual basis of accounting)

Year Ended June 30,	Property Taxes	Sales Tax	Franchise Tax	Other Taxes	Total
2004	1,986,828	311,677	169,634	960,625	3,428,764
2005	2,621,091	295,197	165,242	889,765	3,971,295
2006	3,132,212	315,794	191,511	849,895	4,489,412
2007	3,291,501	276,539	187,939	837,652	4,593,631
2008	2,996,227	344,136	218,521	721,127	4,280,011
2009	3,409,220	288,748	209,913	722,778	4,630,659
2010	3,027,868	242,257	203,985	659,284	4,133,394
2011	2,974,549	295,215	224,608	1,225,801	4,720,173
2012	2,103,907	374,975	228,129	972,609	3,679,620
2013	1,429,395	408,845	230,805	1,026,735	3,095,780

CITY OF WINTERS, CALIFORNIA

FUND BALANCES OF GOVERNMENTAL FUNDS LAST NINE YEARS (modified accrual basis of accounting)

	Fiscal Year Ended June 30,				
	2004	2005	2006	2007	2008
GENERAL FUND:					
Reserved	\$ 30,696	\$ 167,165	\$ 160,002	\$ 406,992	\$ 376,403
Designated					
Unreserved	3,429,877	3,602,950	3,702,209	3,400,722	3,150,028
Nonspendable					
Assigned					
Unassigned					
TOTAL GENERAL FUND	<u>\$ 3,460,573</u>	<u>\$ 3,770,115</u>	<u>\$ 3,862,211</u>	<u>\$ 3,807,714</u>	<u>\$ 3,526,431</u>
ALL OTHER GOVERN- MENTAL FUNDS:					
Reserved	\$ 4,587,160	\$ 4,034,391	\$ 4,203,730	\$ 4,955,935	\$ 5,996,904
Designated					
Unreserved reported in:					
Special Revenue Funds	906,820	327,972	783,604	1,160,617	1,876,261
Capital Project Funds	8,586,793	8,865,973	7,793,128	17,306,132	15,780,323
Restricted					
Committed					
Assigned					
Unassigned					
TOTAL ALL OTHER GOVERNMENTAL FUNDS	<u>\$ 14,080,773</u>	<u>\$ 13,228,336</u>	<u>\$ 12,780,462</u>	<u>\$ 23,422,684</u>	<u>\$ 23,653,488</u>

Fiscal Year Ended June 30,

<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
\$ -	\$ 36,923	\$ -	\$ -	\$ -
1,264,559	676,730			
1,810,356	1,606,367			
		781,448	457,821	457,821
		81,050		
		<u>1,566,838</u>	<u>2,105,370</u>	<u>2,064,941</u>
<u>\$ 3,074,915</u>	<u>\$ 2,320,020</u>	<u>\$ 2,429,336</u>	<u>\$ 2,563,191</u>	<u>\$ 2,522,762</u>
\$ 3,161,275	\$ 7,236,218	\$ -	\$ -	\$ -
11,361,627	3,521,121			
663,535	886,240			
4,372,336	1,686,609		5,598,406	
		8,348,197	1,025,359	5,627,300
		1,024,452	55,968	1,078,260
				56,140
		<u>(337,855)</u>	<u>(521,759)</u>	<u>(843,813)</u>
<u>\$ 19,558,773</u>	<u>\$ 13,330,188</u>	<u>\$ 9,034,794</u>	<u>\$ 6,157,974</u>	<u>\$ 5,917,887</u>

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CITY OF WINTERS, CALIFORNIA

GENERAL FUND ACTIVITIES TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(accrual basis of accounting)

Year Ended June 30,	Property Taxes	Sales Tax	Franchise Tax	Other Taxes	Total
2004	750,823	311,677	169,634	628,165	1,860,299
2005	1,052,780	295,197	165,242	649,263	2,162,482
2006	1,209,345	315,794	191,511	705,020	2,421,670
2007	1,350,914	276,539	187,939	714,618	2,530,010
2008	1,345,630	344,136	218,521	707,685	2,615,972
2009	1,395,538	288,748	209,913	749,196	2,643,395
2010	1,121,922	242,257	203,985	686,404	2,254,568
2011	1,187,176	295,215	224,608	989,477	2,696,475
2012	1,229,698	344,781	228,129	974,044	2,776,652
2013	1,344,228	408,845	230,805	1,023,095	3,006,973

CITY OF WINTERS, CALIFORNIA

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS (modified accrual basis of accounting)

	Fiscal Year Ended June 30,				
	2004	2005	2006	2007	2008
REVENUES:					
Taxes	\$ 3,428,764	\$ 3,953,428	\$ 4,511,414	\$ 4,952,001	\$ 4,787,290
Licenses and permits	1,517,984	636,406	173,495	812,872	186,261
Fines and forfeitures	25,396	22,641	7,817	27,418	50,100
Program income	340,187	118,396	35,020	90,026	96,494
Use of money and property	160,036	435,019	706,759	889,692	1,200,495
Intergovernmental	890,498	522,028	1,254,758	3,721,333	1,767,520
Charges for services	48,284	56,055	128,731	96,102	64,571
Refunds and reimbursement			84,846	28,534	36,546
Development fees	131,578	114,442			
Contributions	5,877	456,890			
Miscellaneous	179,804	37,119	53,043	1,386,703	89,127
TOTAL REVENUES	6,728,408	6,352,424	6,955,883	12,004,681	8,278,404
EXPENDITURES:					
Current:					
General government	487,455	790,650	487,240	733,140	1,066,357
Public works	300,081	277,510	206,957	210,798	183,582
Public safety	1,386,454	1,619,616	1,767,983	2,216,696	2,294,448
Cultural and recreation	160,287	179,474	177,116	209,785	297,193
Community development	303,249	1,245,417	786,394	4,757,300	719,212
Parks	58,797	73,615	394,202	459,383	632,736
Streets and highways	417,247	249,976	95,709	37,125	290,665
Public transportation	102,524	110,276	122,406		
Pass through agreements	261,311	342,940	438,180	311,472	363,024
Capital outlay	587,741	1,317,684	2,292,647	2,840,369	1,666,174
Debt service:					
Bond issue costs	398,084			613,589	
Principal		410,000	265,000	275,000	280,000
Interest		278,161	277,827	272,427	634,376
TOTAL EXPENDITURES	4,463,230	6,895,319	7,311,661	12,937,084	8,427,767
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	2,265,178	(542,895)	(355,778)	(932,403)	(149,363)
OTHER FINANCING SOURCES (USES):					
Transfers in	7,397,817	614,458	300,488	12,153,448	635,294
Transfers out	(7,397,817)	(614,458)	(300,488)	(12,103,320)	(536,410)
Issuance of bonds	7,820,000			11,470,000	
TOTAL OTHER FINANCING SOURCES	7,820,000			11,520,128	98,884
NET CHANGE IN FUND BALANCES BEFORE EXTRAORDINARY ITEM	\$ 10,085,178	\$ (542,895)	\$ (355,778)	\$ 10,587,725	\$ (50,479)
EXTRAORDINARY ITEM					
Loss on transfer if assets and liabilities to RDA successor trust fund					
Prior Period Adjustments					
NET CHANGES IN FUND BALANCE	\$ 10,085,178	\$ (542,895)	\$ (355,778)	\$ 10,587,725	\$ (50,479)
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	11.45%	12.34%	10.82%	12.24%	13.52%

Fiscal Year Ended June 30,				
2009	2010	2011	2012	2013
\$ 4,969,284	\$ 4,470,119	\$ 4,752,199	\$ 4,013,897	\$ 3,371,144
219,268	211,459	1,324,932	161,336	381,226
30,901	11,423	10,745	21,059	16,146
30,496	32,471	44,781	28,531	27,182
615,205	250,775	144,210	118,781	128,124
1,178,487	1,737,368	831,230	1,188,508	1,884,423
54,122	59,516	43,929	337,482	282,466
<u>27,339</u>	<u>85,011</u>	<u>2,325,751</u>	<u>952,093</u>	<u>187,942</u>
<u>7,125,102</u>	<u>6,858,142</u>	<u>9,477,777</u>	<u>6,821,687</u>	<u>6,278,653</u>
2,542,986	1,008,391	220,632	234,854	332,059
593,672	584,850	270,011	175,433	216,709
2,318,611	2,356,584	2,269,423	2,771,159	2,834,727
279,358	202,341	548,057	617,395	589,091
612,582	3,215,133	1,688,046	1,062,943	426,631
635,508	358,626			
214,566	453,574	225,109	257,060	248,735
360,476	308,024			
2,920,330	4,255,546	5,783,033	3,113,832	2,494,531
295,000	460,000	470,000	485,000	
775,800	769,814	750,627	467,833	
<u>11,548,889</u>	<u>13,972,883</u>	<u>12,224,938</u>	<u>9,185,509</u>	<u>7,142,483</u>
<u>(4,423,787)</u>	<u>(7,114,741)</u>	<u>(2,747,161)</u>	<u>(2,363,822)</u>	<u>(863,830)</u>
1,562,647	1,418,888	2,117,877	209,139	1,036,100
(1,071,503)	(1,287,627)	(2,117,877)	(209,139)	(845,786)
<u>491,144</u>	<u>131,261</u>			<u>190,314</u>
\$ (3,932,643)	\$ (6,983,480)	\$ (2,747,161)	\$ (2,363,822)	\$ (673,516)
			(379,143)	393,000
<u>\$ (3,932,643)</u>	<u>\$ (6,983,480)</u>	<u>\$ (2,747,161)</u>	<u>\$ (2,742,965)</u>	<u>\$ (280,516)</u>
<u>12.41%</u>	<u>13.27%</u>	<u>18.73%</u>	<u>15.60%</u>	<u>0.00%</u>

CITY OF WINTERS, CALIFORNIA

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY LAST TEN FISCAL YEARS

Year Ended June 30,	City			Taxable Assessed Value	Community Development Agency		Taxable Assessed Value	Total Direct Tax Rate
	Secured	Unsecured	Utility		Secured	Unsecured		
2004	211,470,328	7,571,916	2,450	219,044,694	79,225,359	5,441,972	84,667,331	0.583%
2005	227,884,381	7,581,801	2,800	235,468,982	118,105,960	5,443,842	123,549,802	0.557%
2006	241,718,966	7,805,000	2,800	249,526,766	140,461,620	9,999,736	150,461,356	0.600%
2007	272,749,292	7,869,139	2,800	280,621,231	165,656,591	9,659,494	175,316,085	0.617%
2008	280,882,222	2,100,831	2,800	282,985,853	193,204,983	16,028,418	209,233,401	0.525%
2009	281,161,063	2,708,797	2,800	283,872,660	195,614,967	18,538,689	214,153,656	0.547%
2010	252,232,212	5,284,746	4,200	257,521,158	201,524,009	14,777,955	216,301,964	0.540%
2011	189,223,168	3,700,078	4,200	196,681,644	217,303,685	14,726,066	232,029,751	0.524%
2012	182,230,025	2,830,751	4,200	185,064,976	221,613,542	14,420,507	236,034,049	0.533%
2013	186,404,540	5,674,469	-	192,079,009	220,277,577	23,767,600	244,045,177	0.398%

NOTE:

In 1978 the voters of the State of California passed Proposition 13 which limited property taxes to a total maximum rate of 1% based upon the assessed value of the property being taxed. Each year, the assessed value of property may be increased by an "inflation factor" (limited to a maximum increase of 2%.) With few exceptions, property is only reassessed at the time that it is sold to a new owner. At that point, the new assessed value is reassessed at the purchase price of the property sold. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of taxable property and is subject to the limitations described above.

Source: Yolo County Auditor Controller Office

CITY OF WINTERS, CALIFORNIA

DIRECT AND OVERLAPPING PROPERTY TAX RATES (RATE PER \$100 OF ASSESSED VALUE) LAST TEN FISCAL YEARS

	Fiscal Year Ended June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
CITY DIRECT RATE:										
City basic rate	0.171	0.148	0.154	0.156	0.148	0.143	0.137	0.149	0.154	0.146
Community Development Agency	0.413	0.409	0.446	0.461	0.377	0.404	0.402	0.376	0.379	0.252
TOTAL CITY DIRECT RATE	0.583	0.557	0.600	0.617	0.525	0.547	0.540	0.524	0.533	0.398
OVERLAPPING RATES:										
Yolo County	0.098	0.156	0.122	0.108	0.119	0.221	0.109	0.111	0.124	0.155
Yolo County Library	0.022	0.021	0.032	0.011	0.029	0.029	0.029	0.030	0.030	0.031
Winters Cemetary District	0.020	0.019	0.003	0.027	0.027	0.027	0.027	0.027	0.028	0.028
Sacramento-Yolo Mosquito Vector District	0.007	0.007	0.010	0.009	0.009	0.009	0.009	0.009	0.009	0.010
Yolo County Resources Conservation District	0.000	0.000	0.000	0.000	0.000	0.000	-	-	-	-
Yolo County Flood Control District	0.007	0.006	0.009	0.010	0.010	0.010	0.010	0.010	0.010	0.010
Solano Community College District	0.032	0.030	0.046	0.042	0.042	0.042	0.042	0.042	0.043	0.043
Yolo County School Services	0.021	0.018	0.028	0.030	0.030	0.030	0.030	0.030	0.030	0.030
Winters Joint Unified School District	0.210	0.185	0.150	0.147	0.201	0.086	0.205	0.296	0.297	0.296
City of Winters General Obligation Bonds	1.000	1.000	1.000	1.000	0.991	1.000	1.000	1.079	1.104	1.000
Winters Joint Unified School District Bonds	0.007	0.710	0.071	0.074	0.074	0.074	-	-	-	-
Indian Valley Dam Bond	0.080	0.080	0.080	0.154	0.266	0.299	0.092	0.092	0.092	-
Indian Valley Dam Bond	0.000	0.000	0.000	0.000	0.000	0.373				
TOTAL DIRECT RATE	1.087	1.790	1.151	1.228	1.331	1.745	1.092	1.171	1.196	1.000

NOTE:

In 1978, California voters passed Proposition 13 which sets the property tax rate at a 1.00% fixed amount. This 1.00% is shared by all taxing agencies for which the subject property resides within. In addition to the 1.00% fixed amount, property owners are charged taxes as a percentage of assessed property values for payment of the Winters Joint Unified School District bonds and for City of Winters General Obligation Bonds.

CITY OF WINTERS, CALIFORNIA

PRINCIPAL PROPERTY TAX PAYERS CURRENT YEAR AND TEN YEARS AGO

Taxpayer	Fiscal Year Ended June 30, 2013			Fiscal Year Ended June 30, 2004		
	Taxable Assessed Value	Rank	Percent of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percent of Total City Taxable Assessed Value
Central Valley Coalition for Affordable Housing	\$ 19,027,938	1	4.36%	\$ -		
Mariani Nut Company	5,920,706	2	1.36%	4,412,700	3	1.570%
GBH-Winters Highlands LLC	4,688,495	3	1.08%	5,983,589	1	2.130%
Pavestone Company LP	4,587,482	4	1.05%	5,909,553	2	2.110%
Bruhn Orchards Housing LLP	3,819,321	5	0.88%			
Roman Catholic Bishop of Sacramento	3,713,687	6	0.85%			
Winters Investors LLC	3,244,838	7	0.74%	1,716,301	6	0.610%
Winters Almondwood LP	2,606,500	8	0.60%			
Ogando, Joseph E and Karen M Trust	2,301,371	9	0.53%			
Winters Apartments	2,263,902	10	0.52%			
Corp of the Presiding Bishop LDS Church	1,846,963	11	0.42%			
Evilsizor, Kenneht A Jr., Etal	1,749,542	12	0.40%	1,733,440	5	0.620%
Bellevue North	1,590,400	13	0.36%			
Winters Investment Group	1,519,000	14	0.35%			
Ali Ashraf & Yasmin A	1,411,368	15	0.32%			
Pickerel, John and Melanie B.	1,408,615	16	0.32%			
Gateway Investors Club LLC	1,350,000	17	0.31%	1,482,570	7	0.530%
Schuhart, Thuel V & Vive	1,314,414	18	0.30%			
Conway, Louis W. TR Etal	1,279,732	19	0.29%			
Martinez Family Limited Partnership	1,250,000	20	0.29%			
South Market Court PTN LP	1,200,000	21	0.28%			
Montosa, Donna M. TR	1,190,534	22	0.27%			
Lorenzo, John	1,093,466	23	0.25%			
Siracusa, John & Elizabeth	1,045,075	24	0.24%			
Gianola Trust	966,805	25	0.22%			
Community Housing Opp Corp			0.00%	2,008,000	4	0.720%
LB/L-DUV II Winters LLC			0.00%	1,141,290	9	0.410%
Hisey,Raymond P & Rebecca A			0.00%	1,000,152	10	0.360%
Lyons, Tom R and Diana E			0.00%	1,418,800	8	0.510%
	<u>\$ 72,390,154</u>		<u>16.60%</u>	<u>\$ 26,806,395</u>		<u>9.57%</u>

The City of Winters implemented GASB 34 for the fiscal year ended June 30, 2004.
Information prior to that shown above is not available.

The amounts shown above include assessed value data for both the City
and the Community Development Agency.

Source: Yolo County Assessor's Office

CITY OF WINTERS, CALIFORNIA

PROPERTY TAX LEVIES AND COLLECTIONS LAST TEN FISCAL YEARS

Fiscal year ended June 30,	Tax levied for the fiscal year	Collected within the Fiscal Year of Levy		Total Collections to Date	
		Amount	Percent of levy	Amount	Percent of levy
2004	1,771,991	1,771,991	100%	1,771,991	100%
2005	1,999,986	1,999,986	100%	1,999,986	100%
2006	1,785,601	1,785,601	100%	1,785,601	100%
2007	2,814,012	2,814,012	100%	2,814,012	100%
2008	2,581,766	2,581,766	100%	2,581,766	100%
2009	2,723,983	2,723,983	100%	2,723,983	100%
2010	2,556,664	2,556,664	100%	2,556,664	100%
2011	2,256,945	2,256,945	100%	2,256,945	100%
2012	2,428,884	2,428,884	100%	2,428,884	100%
2013	2,200,398	2,200,398	100%	2,200,398	100%

NOTES:

- ① Yolo County has adopted the "Teeter Plan" effective 1993-1994, which means that the City receives full payment for taxes levied each year, while the County retains all penalty, interest and delinquent taxes, when collected
- ② The amounts presented include City property taxes and Community Development Agency tax increment. This schedule also includes amounts collected by the City and the Community Development Agency that were passed-through to other agencies.

SOURCE: Yolo County Auditor Controller's Office

CITY OF WINTERS, CALIFORNIA

RATIO OF OUTSTANDING DEBT BY TYPE LAST TEN FISCAL YEARS

Fiscal year ended June 30,	Governmental Activities		Business Type Activities				Total Business- type Activities
	Tax Allocation Bonds	Total Govern- mental Activities	General Obligation Bonds	Loans	Sewer Bonds	Water Bonds	
2003	\$ -	\$ -	\$ 135,000	\$ -	\$ -	\$ -	\$ 135,000
2004	7,820,000	7,820,000	130,000				130,000
2005	7,410,000	7,410,000	125,000				125,000
2006	7,145,000	7,145,000	120,000				120,000
2007	18,340,000	18,340,000					
2008	18,060,000	18,060,000			4,495,000	3,810,000	8,305,000
2009	17,765,000	17,765,000			4,495,000	3,810,000	8,305,000
2010	17,305,000	17,305,000			4,495,000	3,810,000	8,305,000
2011	16,835,000	16,835,000			4,495,000	3,810,000	8,305,000
2012					4,400,000	3,730,000	8,130,000
2013					4,300,000	3,645,000	7,945,000

NOTE: Details regarding the city's outstanding debt can be found in the notes to the financial statements.
Personal Income Data for the City of Winters is not available

- ① See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property on Page 112 for property tax value data
- ② Population Data can be found in the Schedule of Demographic and Economic Statistics on Page 123

Total Primary Govern- ment	Percentage of Estimated Actual Taxble Value of Property^①	Debt per Capita^②
\$ 135,000	0.05%	\$ 21.46
7,950,000	2.62%	1,203.45
7,535,000	2.10%	1,097.12
7,265,000	1.82%	1,042.03
18,340,000	4.02%	2,663.76
26,365,000	5.36%	3,753.02
26,070,000	5.23%	3,696.82
25,610,000	5.40%	3,608.06
25,140,000	5.92%	3,755.60
8,130,000	1.93%	1,188.77
7,945,000	1.82%	1,139.23

CITY OF WINTERS, CALIFORNIA

RATIO OF GENERAL BONDED DEBT OUTSTANDING LAST TEN FISCAL YEARS

Fiscal year ended June 30,	Outstanding General Bonded Debt			Percent of Assessed Value	Debt per Capita
	General Obligation Bonds	Tax Allocation Bonds	Total		
2004	\$ 130,000	\$ 7,820,000	\$ 7,950,000	2.62%	\$1,203.45
2005	125,000	7,410,000	7,535,000	2.10%	1,097.12
2006	120,000	7,145,000	7,265,000	1.82%	1,042.03
2007		18,340,000	18,340,000	4.02%	2,663.76
2008		18,060,000	18,060,000	3.67%	2,570.82
2009		17,765,000	17,765,000	3.57%	2,519.14
2010		17,305,000	17,305,000	3.65%	2,438.01
2011		16,835,000	16,835,000	3.96%	2,371.79
2012				0.00%	
2013				0.00%	

NOTE: General bonded debt is debt payable with governmental fund resources and general obligation bonds recorded in enterprise funds

① Assessed value has been used because the actual value of taxable property is not readily available in the State of California

CITY OF WINTERS, CALIFORNIA

OVERLAPPING DEBT AS OF JUNE 30, 2013

City Assessed Valuation		\$ 192,079,009	
Redevelopment Agency Incremental Valuation		<u>244,045,177</u>	
TOTAL ASSESSED VALUATION		<u><u>\$ 436,124,186</u></u>	
	Percentage Applicable	Outstanding Debt at June 30, 2012	Estimated Share of Overlapping Debt
	①		
OVERLAPPING TAX AND ASSESSMENT DEBT:			
Solano County Community College District	1.114%	\$ 219,921,989	\$ 2,449,931
Winters Joint Unified School District	51.829%	<u>3,360,000</u>	<u>1,741,454</u>
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT		<u><u>\$ 223,281,989</u></u>	<u>4,191,385</u>
DIRECT AND OVERLAPPING GENERAL FUND DEBT:			
Yolo County General Fund Obligations	2.117%	26,060,000	551,690
Yolo County Office of Education Certificates of Participation	2.117%	7,067,506	149,619
Winters Joint Unified School District Certificates of Participation	51.829%	<u>1,225,000</u>	<u>634,905</u>
TOTAL OVERLAPPING GENERAL FUND DEBT		<u><u>\$ 34,352,506</u></u>	<u>1,336,214</u>
OVERLAPPING TAX INCREMENT DEBT (Successor Agency)	100.00%	<u><u>\$ 15,850,000</u></u>	<u>15,850,000</u>
TOTAL OVERLAPPING DEBT			<u><u>\$ 21,377,599</u></u>

NOTE:

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Winters. This process recognizes that, when considering the governments's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

① Percentage of overlapping agency's assessed valuation located within boundaries of the City of Winters.

② Excludes tax and revenue anticipation notes, revenue, mortgage revenue and tax allocation bonds and non-bonded capital lease obligations.

SOURCE:

California Municipal Statistics, Inc.

CITY OF WINTERS, CALIFORNIA

LEGAL DEBT MARGIN INFORMATION LAST TEN FISCAL YEARS

	Fiscal Year Ended June 30,				
	2004	2005	2006	2007	2008
Assessed valuation	\$ 303,712,025	\$ 359,018,784	\$ 399,988,122	\$ 455,937,316	\$ 492,219,254
Debt limit percentage	15.00%	15.00%	15.00%	15.00%	15.00%
DEBT LIMIT	45,556,804	53,852,818	59,998,218	68,390,597	73,832,888
Total debt applicable to limit General Obligation Bonds	130,000	125,000	120,000		
LEGAL DEBT MARGIN	<u>\$ 45,426,804</u>	<u>\$ 53,727,818</u>	<u>\$ 59,878,218</u>	<u>\$ 68,390,597</u>	<u>\$ 73,832,888</u>
Total debt applicable to limit as a percentage of debt limit	<u>0.29%</u>	<u>0.23%</u>	<u>0.20%</u>	<u>0.00%</u>	<u>0.00%</u>

Fiscal Year Ended June 30,

<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
\$ 498,026,316	\$ 473,823,122	\$ 424,957,197	\$ 421,099,025	\$ 436,124,186
15.00%	15.00%	15.00%	15.00%	15.00%
74,703,947	71,073,468	63,743,580	63,164,854	65,418,628
<hr/>				
<u>\$ 74,703,947</u>	<u>\$ 71,073,468</u>	<u>\$ 63,743,580</u>	<u>\$ 63,164,854</u>	<u>\$ 65,418,628</u>
<hr/>				
<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>

CITY OF WINTERS, CALIFORNIA

PLEDGED REVENUE COVERAGE LAST TEN FISCAL YEARS

Fiscal year ended June 30,	General Obligation Bonds				Tax Incre- ment	Tax Allocation Bonds		
	Debt Service					Debt Service		
	Taxes	Principal	Interest	Coverage		Principal	Interest	Coverage
2004	\$ 24,002	\$ 5,000	\$ 6,750	2.04	\$ 1,253,938	\$ -	\$ -	n/a
2005	28,775	5,000	6,500	2.50	1,469,479	182,573	118,261	4.88
2006	23,537	5,000	6,250	2.09	1,785,601	265,000	277,827	3.29
2007	23,451	120,000	6,000	0.19	2,100,792	275,000	272,427	3.84
2008				n/a	1,853,339	280,000	634,376	2.03
2009				n/a	2,013,682	295,000	773,758	1.88
2010					1,905,946	460,000	765,462	1.56
2011					1,610,359	470,000	750,626	1.32
2012					1,596,679	485,000	734,953	1.31
2013					1,097,497	500,000	775,521	0.86

CITY OF WINTERS, CALIFORNIA

DEMOGRAPHIC AND ECONOMIC STATISTICS LAST TEN CALENDAR YEARS

<u>Calendar Year</u>	<u>Population ①</u>	<u>Median Household Income②</u>	<u>Unemploy- ment Rate ③</u>
2004	6,868	n/a	5.30%
2005	6,972	n/a	4.80%
2006	6,885	n/a	5.20%
2007	6,935	n/a	6.80%
2008	7,025	n/a	7.40%
2009	7,052	n/a	n/a
2010	7,098	59,679	n/a
2011	6,694	n/a	n/a
2012	6,839	n/a	11.10%
2013	6,974	n/a	n/a

NOTE: Data on Personal Income and Per Capita income for residents in The City of Winters is not available.

① State Department of Finance

② U.S. Census Bureau, Census 2010

③ State of California Employment Development Department

CITY OF WINTERS, CALIFORNIA

PRINCIPAL EMPLOYERS CURRENT YEAR AND FIVE YEARS AGO

Employer	2013		2008	
	Number of Employees	Percent of Total Employment	Number of Employees	Percent of Total Employment
Mariani Nut Company	350	10.83%	197	7.22%
Winters Joint Unified School District	230	7.11%	228	8.36%
Buckhorn Restaruant	120	3.71%	100	3.67%
Double M Trucking	75	2.32%	15	0.55%
City of Winters	44	1.36%	35	1.28%
Pavestone	35	1.08%	66	2.42%
Town and Country	14	0.43%		0.00%
Vintage Paving	11	0.34%		0.00%
AM/PM	8	0.25%		0.00%
JDS		0.00%	13	0.48%
Woodtech		0.00%	12	0.44%
	887	27.44%	666	24.41%

NOTE: Data for Period nine years earlier not available.

"Total Employment" based on U.S. Census Bureau, Census 2000

SOURCE: Source: City of Winters
U.S. Census Bureau, Census 2000 FOR 2008
U.S. Census Bureau, Census 2010 FOR 2011

CITY OF WINTERS, CALIFORNIA

FULL-TIME AND PART-TIME CITY EMPLOYEES BY FUNCTION LAST TEN FISCAL YEARS

Function	Fiscal Year Ended June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Community Development	3.19	2.44	3.44	4.00	3.33	2.50	1.50	1.50	1.00	1.00
Community Development Agency	1.00	1.00	1.44	1.44	3.11	1.94	1.94	1.94	0.00	0.00
Finance	2.00	2.44	2.44	2.60	2.44	3.00	3.00	3.00	3.00	3.00
General Government	3.44	3.88	3.88	4.44	4.88	5.00	5.00	4.00	4.00	5.00
Police	11.44	11.44	12.94	13.88	13.21	11.44	12.44	12.44	12.44	10.44
Fire Department								4.00	7.00	7.00
Public Works	8.69	8.94	8.44	9.32	8.44	7.32	7.32	7.32	7.32	7.32
Recreation	2.42	3.03	3.03	3.33	12.09	11.81	9.85	9.85	9.85	9.85
TOTAL	<u>32.18</u>	<u>33.17</u>	<u>35.61</u>	<u>39.01</u>	<u>47.50</u>	<u>43.01</u>	<u>41.05</u>	<u>44.05</u>	<u>44.61</u>	<u>43.61</u>

SOURCE: City of Winters, California

CITY OF WINTERS, CALIFORNIA

OPERATING INDICATORS BY FUNCTION LAST TEN FISCAL YEARS

	Fiscal Year Ended June 30,						
	2004	2005	2006	2007	2008	2009	2010
Police:							
Traffic Citations	\$ 24,391	\$ 21,102	\$ 6,242	\$ 24,523	\$ 48,860	\$ 48,860	\$ 11,177
Parking Citations	\$ 1,005	\$ 1,540	\$ 805	\$ 1,710	\$ 1,195	\$ 1,195	\$ 245
Water							
New Connections	n/a	135	80	2	1	3	
Average Daily Consumption	1.32 mgd	1.64 mgd	1.84 mgd	1.60 mgd	1.86 mgd	1.58 mgd	1.28 mgd
Sewer							
New Connections	n/a	135	80	2	1		
Average Daily Sewage Treatment	.623 mgd	.604 mgd	.598 mgd	.598 mgd	.548 mgd	.548 mgd	.567 mgd

SOURCE: City of Winters, California

Fiscal Year Ended June 30,

<u>2011</u>	<u>2012</u>	<u>2013</u>
\$ 10,745	\$ 19,569	\$ 15,396
\$ -	\$ 1,490	\$ 750
	5	2
1.39 mgd	1.10 mgd	1.15 mgd
		2
.556 mgd	.535 mgd	.543 mgd

CITY OF WINTERS, CALIFORNIA

CAPITAL ASSET STATISTICS BY FUNCTION LAST TEN FISCAL YEARS

	Fiscal Year Ended June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
POLICE:										
Stations	1	1	1	1	1	1	1	1	1	1
FIRE										
Stations	0	0	0	0	0	0	0	1	1	1
PUBLIC WORKS:										
Streets (lane miles)	22	22	22	22	22	22	22	22	22	22
Traffic Signals	1	1	1	1	1	1	1	1	2	3
PARKS AND RECREATION:										
Parks	6	6	6	6	6	6	6	6	6	6
Park acreage	7.2	7.2	7.2	7.2	7.2	7.2	7.2	7.2	7.2	7.2
Community Centers	1	1	1	1	1	1	1	1	1	1
WATER:										
Water Mains (miles)	20	20	20	20	20	20	20	20	20	20
Water Wells	5	5	5	5	5	5	5	6	6	6
Storage tanks (non-operational)	2	2	2	2	2	2	2	2	2	2
WASTEWATER:										
Sewer Lines (miles)	23	23	23	23	23	23	23	23	23	23
Pump Stations	2	2	2	2	2	2	2	2	2	2
Sewer Treatment Plant	1	1	1	1	1	1	1	1	1	1

SOURCE: City of Winters, California